PERSISTENCE AND CHANGE IN DONATIONS RECEIVED BY AMERICA'S LARGEST CHARITIES

William Suhs Cleveland

Submitted to the faculty of the University Graduate School
in partial fulfillment of the requirements
for the degree
Doctor of Philosophy
in the Lilly Family School of Philanthropy
Indiana University

December 2016

Accepted by the Graduate Faculty, Indiana University, in partial
Fulfillment of the requirements for the degree of Doctor of Philosophy

Leslie Lenkowsky, Ph.D., Chair

Kirsten Grønbjerg, Ph.D.

Doctoral Committee

Alvin Lyons, Ph.D.

June 7, 2016

Patrick Rooney, Ph.D.

Acknowledgements

A project of this magnitude could not be completed without substantial assistance from others. I am very indebted to many individuals who assisted in this endeavor. Any omissions are entirely unintentional. Thanks are particularly due to the following:

Les Lenkowsky for his patient guidance in leading me through my research. I am particularly appreciative for his encouragement to become a better writer.

Patrick Rooney for his thoughtful comments to make me a better scholar, and particularly for guiding me through appropriate analyses given my current skill set.

Kirsten Grønbjerg for her help in thinking about data, how to assemble data, and especially her help in guiding me to appropriate resources to understand organizational ecology.

Al Lyons especially for encouraging me to think about the unit of analysis used in research and how that unit of analysis influences all aspects of a study, and particularly the types of analyses run and conclusions drawn.

Lehn Benjamin for her ongoing support of my research and career, and especially for her attentive listening and guidance.

The Chronicle of Philanthropy, especially Joshua Hatch and Peter Olsen-Phillips for their discussion about data collection and maintenance. Special thanks to Noelle Barton for her help in providing data, providing article scans, and answering many questions. Also thanks to Anu Narayanswamy for her expedient help providing data and answering questions, Marissa Lopez-Rivera for providing some data, and Stacy Palmer for her encouragement, editing, and introductions.

Xiaonan Coco Kuo and Jon Bergdoll for their help in thinking through several issues with statistical analysis.

Peter Dobkin Hall for his thoughts on his study of organizations in New Haven and how he approached data collection and methodological aspects of this study.

David Hammack for his insights and encouragement.

Jeff Bradach and Peter Kim at Bridgespan for taking time to discuss my research and offer insights into some of their studies.

Putnam Barber for his consistent support and interest in my research.

Elizabeth Searing for discussing influences across sectors & charity size affecting revenue diversification.

Rene Bekkers for his feedback on the amount of study dedicated to solicitation and underlining the difference between excellence in fundraising versus receipt of donations.

Richard Steinberg for opportunities to discuss my research at WIMPS seminars as well as answering many theoretical and methodological questions.

Mark Hager for his thoughts about the use of organizational ecology theory on this broad population.

Mason Rummel and her colleagues at Donors Forum of Kentuckiana for their thoughts and questions relevant to my research.

For my friends at IUPUI University Library, thanks to Teodora Durbin at for her valuable help delivering interlibrary loans, Fran Heuhls for her consistent support in finding resources and William Weare and his staff for their consistent support in finding resources.

Members of my weekly writing circle, who enormously helped me in improving my writing, including Jennifer Beasley, Barbara Gushrowski, Kathy George, James Gregory, Tracey Jaffe, Modupe Labode, Catherine Lemmer, Kristin Norris, Nancy Robertson, Heather Taylor, and William Weare.

My weekly accountability partner, Ally Zimmerman, for her continuing support. Heidi Newman for her review of several chapters and the abstract.

Melissa Brown for her feedback about methodological changes for Giving USA, review of data methods, and agreement that twisty straws are no way to consume fine wines. As well, Kevin Robbins for the same observation about wine and his consistent support of my scholarship.

Jon Durnford, Brice McKeever, and Tom Pollak at NCCS for assisting with many aspects of data. A special thanks to Jon Durnford for his repeated and patient explanations of idiosyncrasies with NCCS data.

Melanie McKitrick for her feedback about methodological changes for Giving USA, feedback on appropriate citations, and providing machine-sensible versions of Giving USA cumulative data.

Ann Kaplan for her support in providing access to and answering questions about Council for Aid to Education data and feedback about methodological changes for Giving USA.

Rachel Breck for arranging for me to access BMF data.

Roger Finke for supplying direction and feedback on religious data.

Bill Enright for answering questions about relationships among various Protestant denominations.

Marian Moser Jones for answering questions about her book about American Red Cross.

Ellen Jovin for her help with periodic grammar queries.

Carolyn Cleveland for patiently listening to my research ideas and asking good questions.

Thanks to the following for answering numerous questions about their organization: Elizabeth Fowlkes & Kimberly Schneller at Boys & Girls Club, Luke Hingson at Brother's Brother Foundation for providing perspective about the valuation of gifts in kind and substantial discussion about this issue, Dawson Clark at Children at Heart Ministries for his insights about their corporate structure and history, Jane Baker at Joslin Diabetes Center for providing information about their structure, Jim Hodge for illuminating reporting and fundraising sensitivities at Mayo Clinic, Jennifer McAllister at NeighborWorks America for providing information about their network, Francis Fraher at Northwestern Memorial Healthcare for describing their evolution and affiliations, Karen Avery & Leslie Leviton at PBS for their help answering questions about the nature of their organization and how various affiliates interact, Geoff Graham at Scripps Research Institute for explaining the history of the Scripps medical charities, and Pam Kerrin & Roy Jones at World Help for understanding the impact of the downward restatement of financials and problems for similar organizations.

Thanks to the following for providing financial information other than, or in addition to, the Form 990: Rob Piercy at Allen Institute for Brain Science, Arlene Bodner at American Friends of the Israel Museum, American Society for the Prevention of Cruelty to Animals, Jeff Sauter & Megan Brownell at Arizona Community Foundation,

Michelle Robinson at Audubon Institute, Letty Johnson at Citihope International, Ron Aloni at Friends of the Israeli Defense Forces, Lynne Black at Grand Rapids Community Foundation, Kathy Gutowsky & Gene Tempel at Indiana University Foundation, Levi Shank at Jewish Federation of Greater Los Angeles, Victoria Beckham at Life Outreach International, Lori Doherty at National 9/11 Memorial Museum, Lori van Dam at One Fund Boston, Rhonda at Our Daily Bread Ministries (RBC Ministries), Carla at Raymond James Charitable Endowment Fund, Melissa Arnold & Kelly Siefkin at Sacramento Food Bank & Family Services, Angela Davis & Tyler Greene at St. Vincent Fishers Hospital, and Deirtra Means at SIM.

Thanks to the following for providing Forms 990: Varun Dhawan at Aga Kahn Development Network, Andrea Martin at Alabama Children's Hospital, Löki Gale Tobin at Anchorage Museum Association, David Schutt at Barnabas Foundation, Margot Bierds at Barnabas Health, Deborah Fuld at Birthright Israel, Gavin Sebastian at California Association for Research in Astronomy (Keck Observatory), Elsa Hume at California Health Foundation and Trust, Dolly Ellenberg at Carnegie Institute, Gail Pitchford at Charleston Area Medical Center Foundation, Denise Bartolotta at Chicago Zoological Society, Gerald Pendry at Children's Healthcare of Atlanta Foundation, Tony Troxell at Children's Hospital Colorado Foundation, Leslie Fleming at Children's Hospital of Michigan Foundation, Shannon L. Herrera-Kacik at Children's Hospital of the King's Daughters, Cookie Quick & James Kinlaw at Christian Broadcasting Network, Debbie Gordon at Cold Spring Harbor Laboratory, John Sparks at College Success Foundation, Cindy Williamson & Kenneth Wolfe at Colonial Williamsburg Foundation, Diane Harley & Nicki McDermott at Community Foundation of Jackson Hole, Joyce Jonat of

Community Foundation of New Jersey, Karen Hand of Community Foundation Serving Richmond & Central Virginia, Katie at Counterpart International, Ben Machon & DeAnna Ford at David H. Murdock Research Institute, Steve Darnell at Dayton Foundation, Jeffrey Zysik and Peter Lipsett at Donors Trust and Donors Capital Fund, Debbie Street at Economic Development Partnership of Alabama Foundation, Michelle Zumwalt at Episcopal Senior Communities, Michael Warsaw & Gerald Zukauckas at Eternal Word Television Network, Sue Davenport at Fine Arts Museums of San Francisco, Michael Momot at Gas Technology Institute, Daiva Neal at George Kaiser Family Foundation, Linda Nef at Globus Relief, Peggy Foley at Good Days (Chronic Disease Fund), Julie Barry & Susie Johnson at Greater Kansas City Foundation, Wynn Rosser & Amber Bass at Greater Texas Foundation, Rick Zimmer at Health Care Foundation of Greater Kansas City, Teresa Makarowsky & Ashley Edwards at Health Research, Michael King & Edmundo Alindogan at Henry Ford Health System, Stan Augustine at House Ear Institute, Angela Case at HudsonAlpha Institute for Biotechnology, Jane Haderlein at Huntington Hospital, Jill Ann Pearl at Huntsman Cancer Foundation, Kwasi Asiedu at International Institute of Tropical Agriculture, Katja Alexander at International Youth Foundation, David Knopf at JB Speed Museum, Stephanie Dlatt at Jewish Federation of Greater Indianapolis, Stephen Cates at John Randolph Foundation, Sabrina Echengaray at K.I.D.S./Fashion Delivers, Samuel Soehnlen at Las Vegas Smith Center for the Performing Arts, Shawna Morton at Lester E. Cox Medical Center, Living Waters, Susan Reardon at Los Angeles Philharmonic, Sarah Mednick & Rachel Steinhardt at Ludwig Institute for Cancer Research, Vicki Garrod & Aileen Sweeny at Marin Community Foundation, Paul Pulver at Maryvale,

Michelle Ouellette at McLaren Health Care, Audrey Waters at Metropolitan Jewish Health System, Conrad Kiechel at Milken Institute, Mabel Haro at Millennium Promise Alliance, Greg Wenz at Minneapolis Foundation, Dolores Rodriguez at Montefiore Hospital, Support team at Morgan Stanley Global Impact Funding Trust, Danielle Warner at Nationwide Children's Hospital, Holly Oxendale at Nemours Foundation, Johnathan Thompson at Newseum, Anthony Giugliano at New York City Partnership Foundation, Cynthia Kaip at North Dakota Community Foundation, Karen Bralley at Operation Blessing International, Steve Jennings at Rady Children's Hospital, Melinda Rosebraugh at Robert R. McCormick Foundation, Jeffery Johnson at Saint Louis Children's Hospital Foundation, Greg Haney at Saint Louis University, Christina Magee at San Francisco Symphony, Donna Brocco at Scenicview Academy, Debra Thompson at Sowers Institute for Medical Research, John Scales at Texas Children's Hospital, Alicia Reale at University Hospitals Health System, Virginia Nicholson at University of Chicago, and Heidi Jung at University of Minnesota Foundation.

I would be remiss to omit thanks to my wife, Linda, and my daughters Alexandra and Hannah for their patience and encouragement as I labored through the process to produce this research.

William Suhs Cleveland

PERSISTENCE AND CHANGE IN DONATIONS RECEIVED BY AMERICA'S LARGEST CHARITIES

This dissertation explores growth among American charities by examining 25 years of the Philanthropy 400, an annual ranking published by *The Chronicle of Philanthropy* of the 400 charities receiving the most donations. Data preparation for the Philanthropy 400's first analysis remedied publication deadline constraints by aligning data by fiscal years and adding 310 charities omitted from the published rankings, resulting in a study population of 1,101 charities. Most studies of charity finance examine individual Forms 990. The Philanthropy 400 uses consolidated financial information from entire organizational networks, creating the same basis for charities filing a single Form 990, like the *American Red Cross,* and charities with affiliates filing more than 1,000 Forms 990, like *Habitat for Humanity.*

Organizational ecology theory frames examination of aggregate changes in the Philanthropy 400. Two questions examine how age and dependence on donations as a percentage of total income affect persistence in the rankings. A third question examines the changing share of total U.S. giving received by ranked charities.

Despite stability resulting from the same charities occupying 189 of the 400 ranking positions every year, the median age of ranked charities decreased. Younger charities generally climbed within the rankings, while older charities tended to decline or exit the rankings. Younger new entrants often persisted in the rankings, suggesting some donors embrace various new causes or solutions. Charities ranked only once or twice decreased in number with each successive ranking. Most charities ranked only once

entered the rankings by receiving two or more times their typical amount of donations, suggesting that sustained fundraising programs regularly outperform charities that periodically experience years of extraordinarily high donations.

The aggregate inflation-adjusted donations received by the Philanthropy 400 increased during the study period and increased as a percentage of total U.S. giving. As predicted by organizational ecology, the increasing percentage of total U.S. giving received by the Philanthropy 400 coincided with slowing growth in both the number of U.S. charities and total U.S. giving. If the Philanthropy 400 continues to increase its percentage of total U.S. giving, this could affect financing for smaller charities.

Leslie Lenkowsky, Ph.D., Chair

Table of Contents

List of Tables

List of Figures

Abbreviations

BMF	Business Master File, a database of all recognized exempt organizations managed by the IRS. Archives of the BMF are maintained by NCCS.
EIN	Employer identification number, a tax identification number used to distinguish individual corporations
ECFA	Evangelical Council for Financial Accountability, an organization that collects and provides data for religious organizations
HHI	Herfindahl-Hirschman Index, a statistical measure of market concentration
IRS	Internal Revenue Service, the United States federal taxing authority
NCCS	National Center for Charitable Statistics, an organization that collects and provides data on charities and other nonprofits
NTEE	National Taxonomy of Exempt Entities, a schema for identifying the field of operation for charities and other nonprofits
VSE	Voluntary Support of Education, an annual survey for giving to educational institutions conducted by the Council for Aid to Education

Definitions

Charities: Public charities recognized as 501(c)(3) organizations by the federal Internal Revenue Service that are not private foundations

Concentration of financial resources: A disproportionate share of financial resources controlled by a relatively small number of organizations in a population. Some scholars use the term *concentration* to refer to an outsized dependence on a specific source of revenue by an individual organization, but this sense is not used here.

Consolidated financial reporting: A single set of financial results from an organizational network of charities, including all affiliates

Dependence on private support: The calculated percentage of total income derived from private support

Philanthropy 400: Annual rankings published by *The Chronicle of Philanthropy* of the 400 charities with a U.S. presence receiving the most private support

Private Support: Inter vivos gifts and bequests from individuals, cash and in-kind gifts from corporations, and grants and in-kind gifts from foundations or other charities. Private support excludes any government-based funding.

Types of Persistence:

Betweeners: Charities ranked in the Philanthropy 400 for three to 23 years

Onetimers: Charities ranked in the Philanthropy 400 for one or two years

Persisters: Charities ranked in the Philanthropy 400 for 24 or 25 years

Subdivision of Betweeners:

Exiters: Charities in this subdivision of the Betweeners were not ranked in the most recent three years, plus charities that became defunct during the study period or charities that ceased providing consolidated financial information for their organizational network.

New Persisters: Charities in this subdivision of the Betweeners were ranked in each of the most recent three years with any absence from the rankings due to either recent entry into the rankings or being ranked higher than 450th position in years they were not in the top 400.

Variers: Charities in this subdivision of the Betweeners were ranked in single years or several consecutive years with intervening unranked years before reappearing in the rankings.

Chapter 1: Introduction

Growth among charities is inadequately understood at a fundamental level. Because the heterogeneity among charities distorts meaningful comparison of more detailed metrics, the population of charities is mostly measured by the number of charities and their reported financial resources. However, available data can create complications that contribute to the inadequate understanding of growth among charities. The number of charities and distribution of financial resources among them provide insights into the scale of the broad population and competitiveness among charities. Financial resources allow charities to hire employees, implement programs, and spread their messages. Among financial resources, the significance of donations stems from the tradition of philanthropy, in which donor interests are mobilized by charitable causes and the resulting donations finance charitable activity. The charities that generate the most donations are among the most widely recognized and influential charities in the United States but have never been analyzed as a group. Growth and changes among these large charities provide insight into changes in total U.S. giving. This dissertation explores the persistence and change over a 25-year period among the charities receiving the most donations, examining factors influencing high levels of donations, such as age, dependence on private support as an income source, and the growth in both number of charities and total U.S. giving.

Trends explored in this dissertation examine the charities receiving the most donations, those charities ranked in *The Chronicle of Philanthropy's* annual Philanthropy 400. Not all charities are equal: Some are created larger than others, some grow larger than others, and some grow faster than others. Because the membership among the

Philanthropy 400 does not appear to change much (Lenkowsky, 2010), the same charities consistently appear to receive a sizable share of donations. This dissertation analyzes characteristics influencing growth and change among the Philanthropy 400 during the most recent quarter century and measures the share of total U.S. giving received by these charities.

Importance of Organizations and the Distribution of Financial Resources

"Only two groups of people deny that organization matters: economists and everybody else" (Wilson, 2000/1989, p. 23). Many economists focus primarily on individual action, especially in regards to philanthropy. While individual donor action is important, organizations are at least as important because of organizations' influence on individual donor action. The impact of individual action is limited without a structured organization. Individuals interested in creating social change benefit by being involved with an organization, something particularly true for charities. Organizations have been identified as critical boundary spanners between donors and those in need (Galaskiewicz, 1985). Not only do charities provide a structured mechanism for individuals to express their values through philanthropy, but charities help shape the interests of donors through the articulation of vision, execution of mission, and process of solicitation.

Giving to charities, rather than to individuals, is favored by public policy. For instance, donations to charities, but not to individuals, are eligible an income tax deduction. Public policies encourage donors to move away from direct almsgiving to support organized charities. While fundraising by charities has been regulated for over a century (Barber, 2011), these regulations generally only require permits and reporting rather than the local ordinances that restrict or prohibit panhandling that arose at the end

of the Civil War and persist today (Schweik, 2009).[1] While donor contact with ultimate beneficiaries was common through the first half of the nineteenth century (Clement, 1985), today's donors typically interact with charities. Charities are not neutral actors in philanthropy but have grown to become central actors in American philanthropy.

Learning from growth among charities. Charities are active in both service provision and generation of financial resources. Charities pursue their missions by creating growth within and between organizations. Growing charities identify relevant social problems, missions attractive to donors and clients, and individual managers capable of increasing the scale of their organizations. Growth often indicates appealing approaches to unmet social problems as indicated by the attraction of resources. An entrepreneur who develops an appealing solution to a common problem may promote the growth of one organization. When several organizations focusing on a common problem simultaneously increase in size, growth occurs at the population level. Different growth patterns reveal shifting importance placed on social problems through changing amounts of resources dedicated to addressing those problems.

Changing success in the pursuit of financial resources and delivery of services among nonprofits is illustrated by the repeated ascendance and decline of nonprofit subpopulations in the United States, including organizations with missions as diverse as abolition, temperance, and universal suffrage, along with longer-term changes within religious and fraternal organizations. While Constitutional changes precipitated the demise of numerous organizations involved in abolition, temperance, and universal suffrage, the centuries-long shifts in religious denominational predominance and the

[1] Between 2004 and 2014, the American Civil Liberties Union pursued litigation against panhandling regulation in seven states: Arizona, Colorado, Massachusetts, Michigan, New Mexico, Ohio, and Virginia; information found at https://www.aclu.org/, visited May 21, 2014.

century-long decline of fraternal organizations (recognized as nonprofits, but are not typically charities) have been tied to what these nonprofits had to offer in the face of economic, political, and social shifts in wider society (Beito, 2000; Finke & Stark, 2005; Kaufman, 2002a, 2002b).

Learning from the study of organizations. Much is to be learned about changes in the makeup of the population of charities and what causes those changes. Although charities may be very independent from one another, the fates of individual charities may be inextricably linked to those of other charities. For instance, grant-making charities must have charities to fund. Organizational ages may influence the access to financial resources and the ability to adapt to changing circumstances. A charity's access to financial resources and their dependence on different sources of income may also affect the survival of charities.

Financial resources that fuel organizational growth are unevenly distributed among charities. Changes in the *concentration of financial resources*, a disproportionate share of financial resources controlled by a relatively small number of charities, remains unexplored, despite repeated observation of financial resource concentration among charities (Boris, 2006; Bowen, Nygren, Turner, & Duffy, 1994; Horne, 2005; Jenkins, 1950; Lecy & Van Slyke, 2012; Pollak & Pettit, 1997; Salamon,1992, 1999, 2002, 2012a, 2012b; Tuckman & Chang, 1998). Stable membership among the charities receiving the most donations indicates the same charities persistently benefit from this concentration of financial resources. However, much is to be learned about changes in the donations received by these large charities in comparison to changes in total U.S. giving. A trend of increasing concentration of donations received by large charities could have serious

implications, because small charities are often highly dependent upon donations (Bowen et al., 1994; Horne, 2005; Kim, Perreault, & Foster, 2011; Lecy & Van Slyke, 2012; Meckstroth & Arnsberger, 1998). The exploration of these questions of age, changing dependence on various financial resources, and the concentration of financial resources among a small number of charities is addressed in this dissertation by examining changes among the U.S. charities receiving the most private support.

The Philanthropy 400 Rankings

The Philanthropy 400, a previously unexploited data source, provides essential data used in this dissertation. The Philanthropy 400 rankings are unique in their size, inclusiveness, and accounting scope. These rankings include the largest number of charities compared to competing rankings. The Philanthropy 400, first published by *The Chronicle of Philanthropy* in 1991, annually ranks the 400 public charities in the United States generating the most donations, or more precisely referred to as private support. *Private support* includes inter vivos gifts and bequests from individuals, cash and in-kind gifts from corporations, and grants and in-kind gifts from foundations and other charities, while excluding all government payments of any kind. *Public Charities* (herein shortened to *charities*) include nonprofits recognized as 501(c)(3) organizations by the federal Internal Revenue Service, while excluding private foundations, which are also recognized as 501(c)(3) organizations. The Philanthropy 400 considers all charities and does not exclude any charities based on field of operation, such as congregations or denominations, universities, or community foundations. The breadth of inclusiveness in the Philanthropy 400, limited only by the reported amount of private support received by the top 400 charities, is as important as the accounting scope used for individual charities

in the rankings. While the Philanthropy 400 ranks the charities receiving the most private support, there are other charities that may be larger using other measures of size, including total income, assets held, number of affiliates or locations, number of employees, size of budget, and other measures.

For the accounting scope of private support, the Philanthropy 400 prefers reporting consolidated financial information from entire organizational networks to rank charities that have affiliates. *Consolidated financial reporting* presents a single set of financial results for an entire organization, including affiliates. The use of consolidated financial reporting increases the comparability of financial data among charities that have numerous affiliates. Analyzing consolidated financial information is controversial because many affiliates are separately incorporated, file separate Forms 990, and operate independently from – but in close cooperation with – other affiliates in a network, similar to how commercial franchises operate. Compellingly, consolidated financial reports establish a comparable basis for large charities. Therefore, a charity like *Habitat for Humanity*, which files over 1,500 separate Forms 990 to report for the international headquarters plus all local affiliates, is represented on the same basis as the *American Red Cross,* which files a single Form 990. The inclusive Philanthropy 400 offers an unexploited data source that reports underutilized consolidated financial reports that can be used to address fundamental questions about growth among charities.

Research Questions

This dissertation explores characteristics of the U.S. charities receiving the most private support, those that have been ranked in the Philanthropy 400. Organizational ecology offers a useful theoretical framework for this exploration. Organizational

ecology provides theories to understand change among populations of organizations. For the charities ranked in the Philanthropy 400, the variables used to understand change include age, dependence on private support, and the concentration of financial resources among these large charities. The findings have implications for the prospects for organizations of different ages and sizes, along with their access to financial resources.

This dissertation asks three questions about change within the Philanthropy 400 and concentration of private support relative to total U.S. giving. Two questions will examine growth trends through the changes among charities ranked in the Philanthropy 400. The first question is: *Does charity age affect the persistence of charities ranked in the Philanthropy 400?* Age is an important variable in organizational ecology, because organizations at different ages have relative advantages and disadvantage operating in their contemporary environment. Another characteristic that may affect persistence has practical and theoretical significance, the dependence on private support as a revenue source. Because charities may persist in the rankings due to an increasing dependence on private support, the second question asks: *Do changes in dependence on private support as a percentage of total income affect persistence within the Philanthropy 400?* A third question compares private support received by the Philanthropy 400 to total U.S. giving: *Did the share of private support received by the Philanthropy 400 increase relative to total U.S. giving?*

These research questions establish a context to better understand influences shaping the group of charities ranked in the Philanthropy 400, those receiving the highest amount of private support. Perhaps, as seen through the parallel concentration of financial resources in other industries, as well as measures for individual wealth and income,

concentration of private support may be expected. Does the familiar adage, *the rich get richer,* hold true even among charities? If some missions become more attractive to donors, other service areas may be underfunded. Similarly, concentration of financial resources may inhibit the growth and survival of small charities, especially in a period of low growth in total U.S. giving. This constraint on survival arises from less private support available to small charities as larger charities grow their overall receipt of total U.S. giving, although smaller charities could also access other financial resources. However, concentration of financial resources may allow these large charities to grow to a scale that facilitates effective solutions to intractable social problems. A better understanding of charity finances in the broadest terms allows these questions to be answered and sets the stage for other questions to be addressed.

This dissertation has six chapters and two technical appendices. The second chapter reviews the literature about growth trends involving charities. Chapter three discusses the application of organizational ecology theory to a population as functionally diverse as the Philanthropy 400. These chapters set the stage for the methods chapter, in which an outline of data preparation for the Philanthropy 400 is followed by a description of the analyses used to understand changes among these charities. The fifth chapter presents the results, including many graphs and tables used to visualize changes within the Philanthropy 400. The final chapter discusses the key findings and explores directions for future research. The first appendix details data preparation for the Philanthropy 400, and the second appendix lists all charities ever ranked in the Philanthropy 400.

Chapter 2: Existing Research Regarding Growth Among Charities

The literature examining the centrality of charities in philanthropy provides some understanding of the context in which charities operate, especially considering the important topic of long-term population growth among charities. Examining population growth for the full spectrum of charities is limited by data issues, and few studies examine growth among large charities, limiting the context against which to compare growth and extraordinary events involving charities. Understanding and monitoring population growth helps identify fundamental changes among charities, recognize that trends are subject to change, and establish the broad context in which charities operate at specific times. Ignoring trends creates the risk of misinterpreted results or presumed universal applicability of observed events, when these observations may be context dependent. When considering whether charities survive or thrive, context matters (Minkoff, 1995).

This literature review attempts to be comprehensive in the inclusion of the literature examining growth trends among charities. Commencing this review is an outline of the various disciplines used for scholarship regarding trends among charities, and the nonprofit sector more broadly. In this heterogeneous population, growth is often measured by the number of charities and associated financial resources. This review underlines the importance of both the source of the data studied and how data are aggregated. Certain characteristics have been related to changes in distribution of financial resources, including the field of operation for a charity, size of charity, and time frame studied. However, management decisions can also play a role in the finances of charities. This chapter closes with a discussion of concentration of a disproportionate

amount of financial resources under the control of only a few charities. Concentration merits exploration due to its theoretical and practical importance. This literature review reveals numerous opportunities to expand the understanding of charity finances and how broad trends influence growth among charities.

Discipline and Scope of Studies Examining Growth Among Charities

Growth among charities has been primarily explored through the disciplines of history (Beito, 2000; Hall, 1999; Kaufman, 2002a; Skocpol, 2003), economics (Castaneda, Garen, & Thornton, 2008; Corbin, 1999; Feigenbaum, 1987; Harrison & Laincz, 2008a, 2008b; Hughes, 2006; Matsunaga & Yamauchi, 2004), and sociology (Ahn, 2010; Finke & Stark, 2005; Galaskiewicz & Bielefeld, 1998; Grønbjerg, 1993; Putnam, 2000). While this dissertation theoretically frames research questions using the sociological theory of organizational ecology, both history and economics add interesting perspectives about growth among charities.

Data and methods vary depending on the discipline used to explore growth among charities. A variety of data sources were used to study growth, such as city directories (Hall, 1999; Kaufman, 2002a), panel studies (Galaskiewicz & Bielefeld, 1998; Huntley, 1931a, 1935; King & Huntley, 1928), audited financial reports (Kim & Bradach, 2012), and organizational tax return data from Forms 990 (Bowen, Nygren, Turner, & Duffy, 1994; Horne, 2005; Tuckman & Chang, 1991, 1998). Methods included simply counting (Archibald, 2007a, 2007b; Hall & Burke, 2006), performing regression analyses (Kaufman, 2002a; Lecy, 2010), and developing specified mathematical models (Carroll & Hannan, 2000; Hannan & Freeman, 1989).

Geographically, studies analyzing growth among charities were typically either done at a national level (Archibald, 2007a, 2007b, 2008; Armsworth, Fishburn, Davies, Gilbert, Leaver, & Gaston, 2012; Brown, McKeever, Dietz, Koulish, & Pollak, 2013; and several others) or at a metropolitan level (for example, Galaskiewicz & Bielefeld, 1998; Hall, 1999; Huntley, 1931a, 1931b, 1935; King & Huntley, 1928; Marsh, 1996; Twombly, 2003; Wolpert & Reiner, 1985). A handful of studies analyzed state-level data (Ahn, 2010; Ben-Ner & Van Hoomissen, 1990; Bielefeld, Rooney, & Steinberg, 2005; Jackson & Glass, 2000; Matsunaga & Yamauchi, 2004; McMurtry, Netting, & Kettner, 1991; Tucker & Sommerfeld, 2006).

Studies analyzing growth among charities also varied by the breadth of organizational fields of operation included. Some studies examined all charities as a single population (Arnsberger, Ludlum, Riley, & Stanton, 2008; Brown et al., 2013; Burke, 2001; Hall, 1999; Hall & Burke, 2006; Hammack, 2001; Harrison & Laincz, 2008b; King & Huntley, 1928; Lecy & Van Holm, 2013; Rudney, 1981, 1987; Rudney & Weitzman, 1983; Schiff, 1986; Smith, 1992). More commonly, studies examined charities within a single field of operation, such as environmental charities (Armsworth et al., 2012; Straughan & Pollak, 2008), higher education (Jackson & Glass, 2000; Peruso, 2010, 2012; Thomas, 1966), hospitals (Martin, 1993; McCue, 2001; Salamon, 1993), international charities (Baranowski, Khan, & McKitrick, 2013; Kerlin, 2013; Kerlin & Supaporn, 2006; Lecy, 2010), religion (Chaves & Sutton, 2004; Finke & Stark, 2005; Kaufman, 2002b; Scheitle, 2010; Winter, 1967), or social services (Grønbjerg, 1993, 2001; Huntley, 1931a, 1931b, 1935; Kramer, 2000; Lecy & Van Slyke, 2012; Marsh, 1996; McMurtry et al., 1991; Tucker & Sommerfeld, 2006; Twombly, 2003). A handful

of studies examined national data for all charities with consideration of subdivisions by field of operation among charities (Hall & Burke, 2006; Horne, 2005; Rudney & Weitzman, 1983). Among broadly inclusive studies, Bowen et al. (1994) and O'Neill (2002) analyzed national data both collectively and broken down by component fields of operation.

The time frames used for analyzing growth among charities varied greatly. For this review, studies measuring growth for five or more years were considered, since shorter time frames are too sensitive to the vagaries of one-time events, economic conditions, and reporting idiosyncrasies of individual charities (Carroll & Hannan, 2000). Some studies covered extended periods, such as over 100 years (Burke, 2001; Finke & Stark, 2005; Gamm & Putnam, 1999; Hall, 1999; Hall & Burke, 2006; Skocpol, 2003), about 75 years (Beito, 2000; Hammack, 2001; Putnam, 2000), around 50 years (Archibald, 2007a, 2007b, 2008; Kaufman, 2002a; Selle & Øymyr, 1992), and approximately 25 years (Baranowski et al., 2013; Bowen et al., 1994; Jenkins, 1950; King & Huntley, 1928; Lecy & Searing, 2014; Martin, 1993; Tucker & Sommerfeld, 2006). Studies examined trends over different historical periods, starting in colonial times (Finke & Stark, 2005), beginning in the 19th century (Burke, 2001; Gamm & Putnam, 1999; Hall, 1999; Hall & Burke, 2006; Kaufman, 2002a; Skocpol, 2003), covering the first part of the twentieth century (Beito, 2000; Hammack, 2001; Huntley, 1931a, 1935; King & Huntley, 1928), starting in the 1920s (Goldthorpe, 1941; Huntley, 1931b; Jenkins, 1950; Putnam, 2000), starting in the 1950s (Archibald, 2007a, 2007b, 2008; Hyman & Wright, 1971), analyzing the 1960s through 1980s (Bowen et al., 1994; Rudney, 1981), analyzing the 1980s and 1990s (Weisbrod, 1998b), and studies

examining the period since the 1990s (for example, Brown et al., 2013; Faulk, 2010; Hager, 2001; Jackson & Glass, 2000; Lecy & Van Slyke, 2012; McCue, 2001; Peruso, 2010, 2012; Twombly, 2003). These analyses revealed the consistently dynamic nature of charity populations, in which change was a constant theme.

Studies of growth among charities done in history, sociology, and economics have used various data sources to measure growth in the number of charities and associated financial resources. Regardless of the scope of geography, field of operation, or time frames studied, broad changes among the population of charities have been repeatedly observed. Of the metrics examined in previous studies, financial resources are of particular interest in this dissertation.

Financial Measures Used to Compare Populations of Charities

Financial measures are commonly used to compare charities. While financial measures are clearly applicable to compare profit-seeking businesses, the applicability for comparing charities is less clear. Financial measures do not reflect the full impact of a charity's performance, since the generation of revenue, especially private support, is not strictly exchanged for services provided in pursuit of mission-related goals. Similarly, generating revenue is not always a primary goal for charities. However, measuring the entire population of charities beyond the numbers of charities and their reported finances is problematic due to heterogeneity among charities (DiMaggio, 2001). Private support is a relevant financial measure for comparing charities due to the receipt of donations by about 90% of charities (Horne, 2005), the public education and brand building done by charities through the solicitation process (Sargeant & Woodliffe, 2007), and the interaction between charities and donors during solicitation (Hodge, 2013; Seymour,

1966). Solicitation of private support is a primary way charities become publicly known, and the solicited donations are an important revenue source.

Reporting variations for financial measures can substantially influence their values. *Consolidated financial reports,* a single set of figures reported for an organizational network of charity affiliates, provide different information than individual Form 990 data from each affiliate. Studies of charities using consolidated financial reports are uncommon (the only examples encountered were Jacobs & Marudas, 2006; Jenkins, 1950; Marudas & Jacobs, 2008a, 2008b, 2010). Disregard of consolidated financial information is curious given the size and recognizability of large, affiliated networks, such as *Boys & Girls Clubs, Ducks Unlimited, Habitat for Humanity*, and *The Y* (formerly the *YMCA*). Not only are these networks large – each having over 1,000 affiliates – they are also among the most recognized and highly valued charity brands (Cleveland, 2010; Laidler-Kylander, Quelch, & Simonin, 2007). While introducing an encyclopedic set of statistics that included consolidated financial information for a few charities, Hall and Burke (2006) noted "[d]espite their obvious prominence, these large structures have been almost entirely ignored in favor of studies of particular chapters, lodges, or units" (p. 2-844). Hall and Burke (2006) acknowledged the value of consolidated financial information for providing insights about both individual charities and the broader population of charities, and this view was echoed for religious congregations and their denominations (Zech, 2003). An alternative argument was advanced that claimed local-level financial reporting was superior to enterprise-level consolidated financial data due to the independent nature of affiliates and the granularity

of the data (Horne, 2005). While consolidated financial reports present advantages, the research question should be the primary influence in selecting the data used.

Consolidated financial information has practical importance. The nature of private support and the complexity of affiliation among charities can lead to double counting of aggregated charity revenue through private support changing hands between independent charities and transfer payments between closely related affiliates (O'Neill, 2002). An obvious source of potential double counting of private support arises from donations received and then disbursed to other charities by federated giving charities, such as the *United Way* and *Jewish Federations* (Barman, 2006; Schwartz, 1983). Community foundations and other sponsors of donor-advised funds are other sources of potential double counting of private support, between what the grant makers receive and then disburse to other charities. Other reasons private support may be double counted include the grants that health advocacy charities provide to charity-based medical researchers or health care providers, and charities specializing in collecting in-kind donations granting these materials to other charities. All these potential sources of double counting legitimately expand the value of charitable activity, since this private support is typically granted through an arm's-length, competitive application process. The value added by these activities includes the articulation and development of programs, the critical evaluation of grant applications, and accountability through follow-up efforts. Although private support changing hands between independent charities does not represent new money entering the population of charities, these transactions are akin to subcontractors being paid by a primary contractor, transfer payments typically accounted for as additional revenue in aggregated statistics for commercial businesses.

As a counter example, transfer payments within affiliated networks of charities present potential double counting through transactions at less than arm's length. For example, from all private support given to both *Habitat for Humanity* and *American Lung Association* affiliates, 10% is transferred to the international headquarters (Baggett, 2000; Standley, 2001). Internal transfer payment requirements are higher for other charities, ranging from 10% to 40% of total income, with the 25% of total income sent to the national headquarters by affiliates of the *American Diabetes Association* in the middle of this range (Standley, 2001). Simply summing the financial figures from separate Forms 990 filed by individual affiliates making these sorts of payments could provide inaccurate consolidated figures. While it may be argued that the consolidated financial information based on figures in the Philanthropy 400 has no guarantee of removing less than arm's length double counting, analyses of individual Forms 990 certainly are unlikely to address this sort of double counting.

Private support received. Either through consolidated or disaggregated financial information, we have much to learn about charities that solicit and receive large amounts of private support. Charities are central to philanthropy and drive donations with their solicitations. While many practically oriented *how-to* guides aim to improve fundraising (for example, Tempel, Seiler, & Aldrich, 2011), the relationship between solicitation and private support received is less thoroughly examined. A review of 500 studies of donor behavior delineated eight mechanisms driving charitable giving, revealing the relative dearth of inquiries about solicitation (n = 19) (Bekkers & Wiepking, 2011). Explaining this dearth, Andreoni (2006) noted that fundraising practices were hard to study due to lack of data and theoretical difficulties, despite the "iron law of fund-raising is that

people tend not to give unless they are asked" (p. 1257). This iron law echoed previous, practitioner-oriented guidance that "[p]eople seldom give serious sums without being asked to do so directly. This principle holds even for trustees and all others at the very heart of the cause" (Seymour, 1966, p. 29).

The iron law of solicitation persists today, reflected by the fact that an estimated 5% to 10% of the number of gifts and less than 5% in the value of gifts made to the *Mayo Clinic* were unsolicited (Hodge, 2013). Scholars examining solicitation found a positive correlation between solicitation and donating with similar percentage results (Bryant, Jeon-Slaughter, Kang, & Tax, 2003; Delaney, 2012; Hodgkinson, Nelson, & Sivak, 2003; Kotzebue, 2014; Van Slyke & Johnson, 2006; Yörük, 2008, 2009, 2012a, 2012b). Even within the understudied, but essential area of solicitation, "[m]uch of the literature related to individual contributions centers on fundraising as opposed to the funds raised" (Froelich, 1999, p. 250). While we understand something about the *how-to* of fundraising, the characteristics of charities soliciting and receiving large amounts of private support remain underexplored.

Data sourced from donors or receiving charities. The relevant statistics generated by the donors' and receivers' activities may create challenges when used in direct comparisons. The two types of national level statistics about private support, derived from either donors' tax returns or from receiving charities' Form 990 filings, resist reconciliation for three reasons.

First, inconsistent timing between donors and charities cannot be entirely reconciled. Individual donors, the source of the majority of private support (Giving USA Foundation, 2015), generally use a fiscal year that matches the calendar year, while

charities have discretion for setting the endpoint of their fiscal years and the latitude for changing this endpoint. Since private support is not given at an equal rate throughout the year, attempts to proportionally adjust private support may be misleading.

Second, far better data exist for large donors and charities, with far less reliable data for small donors and charities. Historically, only about one third of individual taxpayers itemized their deductions (Giving USA Foundation, 2012). For the two thirds of taxpayers electing the standard deduction, estimations have been made from surveys and other sources to quantify their charitable contributions. From the charities' standpoint, the Form 990 required filing threshold was $25,000 in total revenue until 2010, when the threshold increased to $50,000 (*Internal Revenue Bulletin 2011-3*, 2011). A minority of charities has ever exceeded the filing threshold, and the charities required to file a Form 990 report the vast majority of revenue for charities (Boris, 1999, 2006). The minority of both taxpayers and charities reporting financial information leaves uncertainty about the finances of millions of the smallest actors.

Third, tax deductions by donors are typically taken on a cash basis but can be carried over between years, while charities may report private support on a cash basis when the private support is received or on an accrual basis when a pledge is made (Larkin & DiTommaso, 2012). Similarly, aggregation of nonprofit financial statistics can be troublesome due to the flexibility built into charitable accounting (Steinberg, 1992). These differences underline the importance of understanding the provenance of data in order to ensure results are comparable.

Giving USA, a commonly cited source of national-level giving statistics, always has used donor-based data as the core of its giving estimates. *Giving USA* uses Form 990

data to measure specific uses of donations by general fields of operation and also uses Form 990 data to compare data derived from donor-bases sources. The *Giving USA* series, published annually since 1956, has a lengthy pedigree that dates back to the origin of the federal income tax. *Giving USA* increasingly highlighted trends using different levels of analysis, from aggregated national data to trends of giving to charities in different fields of operation, but commentary generally offered little in the way of interpretive analysis of trends. The primary data for *Giving USA* have always been Internal Revenue Service (IRS) data from individual tax returns for itemized deductions, which has been supplemented with other sources, such as surveys, press releases about large gifts, and IRS Forms 990 (Deb, Wilhelm, Rooney, & Brown, 2003). *Giving USA* evolved from the work of the John Price Jones Company, a leading fundraising consultant, which used individual tax return data and other sources as the basis for publishing yearbooks of philanthropy measuring giving from 1920 through 1953 (Jones, 1940, 1942, 1943, 1946, 1948, 1949, 1954). Both *Giving USA* and the John Price Jones publications described trends in private support received by charities in various fields of operation primarily derived from donor-based data and fine-tuned using estimates from organization-derived data, such as Form 990 information, to improve the quality of information presented.

Prior to the work of Jones, which retrospectively extends to the origin of the individual income tax, donor-based figures had limited use. However, the absence of an income tax did not prevent the use of known gifts over $5,000 (approximately $140,000 in 2014 dollars) to estimate total giving in the late 19th and early 20th centuries (Hagar, 1904). While donor-derived data tell us little about the charities receiving benefactions,

they do provide information about the total magnitude of giving to help measure the share of total giving received by groups of charities.

Several sources provide charity-derived data. IRS Form 990 data, obtained directly from the IRS, through the National Center of Charitable Statistics (NCCS), or from GuideStar, are the most commonly used data to examine the finances of individual charities. Burke (2001) included a wide breadth of primarily organization-derived data in describing the nonprofit data made available in the *Historical Statistics of the United States* (Hall & Burke, 2006). The Business Information Tracking Series prepared by the U.S. Census Bureau also provides data that can be used to analyze growth among charities (Tucker & Sommerfeld, 2006). Unfortunately, no central repository exists for audited financial statements prepared by charities. While *The Nonprofit Sector in Brief* series published annually by NCCS (Blackwood, Roeger, & Pettijohn, 2012; Blackwood, Wing, & Pollak, 2008; McKeever & Pettijohn, 2014; *Nonprofit sector in brief,* 2007; Pettijohn, 2013; Roeger, Blackwood, & Pettijohn, 2011; Wing, Roeger, & Pollak, 2009, 2010) presents data at different points in time, studies rarely use charity-derived data to analyze growth trends among the broad population of charities in order to understand changes in their finances.

Data compiled annually from charities to publish rankings present another source of organization-based data, although these data are largely unexploited for academic research. Three rankings include *The Chronicle of Philanthropy's* Philanthropy 400, the *Forbes* 200, and the *Nonprofit Times'* NPT Top 100. The Philanthropy 400 annually ranks the 400 charities receiving the most private support, and the *Forbes* 200 does the same for the top 200 charities (in 2012, reduced to 100). The NPT Top 100 annually

ranks the 100 charities generating the most total income, with the caveat that at least 10% of that income is from private support.

A handful of studies drew from these rankings, but none of them used the rankings to determine growth trends, much less interpret what trends might mean. Studies of the cost to raise a dollar in relation to variations of expenses, revenue, and assets were based on charities in the NPT Top 100 (Jacobs & Marudas, 2006; Marudas, Hahn, & Jacobs, 2012; Marudas & Jacobs, 2008a, 2008b). Studies involving the Philanthropy 400 drew on the rankings as a sample pool without analyzing organizational finances (Hess, 2009; Waters, 2007). Studies also examined connections between charities and businesses, such as relationships between charities and corporate donors (Cho & Kelly, 2013) and the degree of interlocking directorates between Philanthropy 400 charities and Fortune 500 companies (Grant, 2012). The NPT Top 100 provided the charities surveyed to study affiliation among charity networks (Oster, 1992, 1996). Other references to the NPT Top 100, as well as many references to the Philanthropy 400, were far less consequential, such as mentioning a charity's inclusion in a ranking or simply noting the rankings' existence as a potential source of information. The *Forbes* 200 has not been a data source for scholarly research. No studies used charity rankings to analyze growth trends for financial measures, such as revenue or private support.

Some commonly cited publications include high level, aggregated figures from the perspectives of both donors and charities. Despite the temptation to compare statistics from different tables within these publications, data and trends may not be directly comparable due to different data sources. *The Nonprofit Almanac* (Roeger, Blackwood, & Pettijohn, 2012; Weitzman, Jalandoni, Lampkin, & Pollak, 2002; Wing, Pollak, &

Blackwood, 2008) and the annual *The Nonprofit Sector in Brief* (Blackwood et al., 2012; Blackwood et al., 2008; McKeever & Pettijohn, 2014; *Nonprofit sector in brief,* 2007; Pettijohn, 2013; Roeger et al., 2011; Wing et al., 2009, 2010), both published by the NCCS, reported trends with no material analysis of private support from individual tax return data along with revenue, expenses, and assets of charities from Form 990 filings. These NCCS publications superseded the *Dimensions of the Nonprofit Sector* (Hodgkinson, 1992; Hodgkinson & Weitzman, 1984, 1986, 1988; Hodgkinson, Weitzman, Abrahams, Crutchfield, & Stevenson, 1996), published by the Independent Sector, which used similar data and also presented trends with no material analysis. Salamon replicated these statistics and added some analyses, with the addition of high-level observations about trends, in his primers and assessments of America's nonprofit sector (1992, 1999, 2002, 2012a, 2012b). Boris (1999, 2006) and Boris and Steuerle (2006) contributed similar summaries, primarily using NCCS data, which focused more on total expenses and numbers of charities. Despite these efforts, understanding of the general trends establishing the context in which charities operate remains underdeveloped.

Types of Revenue and Factors Influencing Dependence on Revenue Sources

Charities access many types of revenue, with the primary sources being program service revenue and private support. Both program service revenue and private support have funded charitable activity across cultures for centuries (for example, see Andrew, 1989; Robbins, 2006; Singer, 2008). In the United States, dependence on program service revenue is not a new phenomenon, with many charities relying on both program service revenue and private support for at least a century (Griffith, Jeter, & McMillen, 1930a,

1930b; Hall & Burke, 2006). Program service revenue and private support comprise charities' two primary long-term revenue sources (Blackwood et al., 2012; Blackwood et al., 2008; Griffith et al., 1930a, 1930b; Hall & Burke, 2006; McKeever & Pettijohn, 2014; Meckstroth & Arnsberger, 1998; *Nonprofit sector in brief,* 2007; Pettijohn, 2013; Roeger et al., 2011; Weisbrod, 1998b; Wing et al., 2009, 2010). Contrary to the prediction that by 2000 two distinct populations of charities would exist, those relying nearly exclusively on program service revenue and those relying nearly exclusively on private support (Hansmann, 1989), very few charities exclusively depend on a single revenue type, with 95% of charities funded by more than one revenue source (Chang & Tuckman, 1994; Chikoto, Ling, & Neely, 2015).

Scholars have examined dependence on revenue sources using both broad populations of charities and individual charities. Examinations of dependence on revenue sources have identified variables affecting broad populations, such as the time period studied, the field of operation for the charity, and the size of charity. The degree of dependence on revenue sources, whether charities broadly diversify or narrowly focus on sources of revenue, is another common theme. Examination of management approaches to funding indicates that the stability and reliability of revenue sources, balanced by each source's costs, are the primary considerations for pursuing a revenue source rather than focusing on revenue diversification as an end goal (Kearns, Bell, Deem, & McShane, 2012). In a topic that remains unexplored, charity managers also may focus on ongoing costs of capital by seeking the lowest cost revenue sources, rather than managing a portfolio of revenue sources to enable the provision of subsidized services at below market prices. Trends in dependence on different revenue sources reflect the accessibility

of resources, the cost of capital, and management choice either to protect against the risk of financial failure or to pursue the reward of rapid growth.

Revenue sources. Charities access many types of funding that various scholars aggregate slightly differently. Funding is sometimes aggregated by source, such as revenue generated from individuals, corporations, other charities, governments, and in-house assets (Chang & Tuckman, 2010; Young, 2007a). Another way to aggregate funding data is by separating revenue into *earned income* and *private support* (Weisbrod, 1998a). Charities primarily generate revenue through earned income, which involves a user payment in exchange for services. *Program service revenue* includes earned income from fees for service, such as tuition, medical care payments, nursing home and day care payments, product sales, gate admission, coaching fees, and mortgage payments. Program service revenue also includes government reimbursements, such as Medicare and Medicaid payments, scholarships, and contracts to provide social services, such as aiding the homeless or providing substance abuse counseling. *Unrelated business income* is also earned income, such as when a charity earns income from operations outside its mission, but this income is reported and taxed separately from program service revenue.

After program service revenue, *private support* is the second most prevalent revenue source for charities, defined earlier as inter vivos gifts and bequests from individuals, cash and in-kind gifts from corporations, and grants from foundations and other charities. Government grants, including government contracts not involving service reimbursement, are not included in private support, but are included in the broader *public support*, which includes private support plus government-funded grants to charities. According to the *Nonprofit Sector in Brief* series, aggregate receipt of government grants

has been consistently a little bit less than receipt of private support. Government grants do not include government payments for service, like the Medicaid and Medicare programs, which are more typically reported as program service revenue. Other sources of revenue are asset related, including investment returns from an endowment, rental income, and patent royalties, along with a variety of less common sources, such as debt. Both individually, and as a group, charities access a wide variety of revenue sources.

While dependence on different types of revenue may vary at the population and individual charity levels, all but 5% of charities depended on two or more types of revenue (Chang & Tuckman, 1994; Chikoto et al., 2015). Reflecting figures at the population level, funding from program service revenue and private support is rarely evenly balanced for individual charities. Panel data from 1998 to 2007 revealed that individual charities depended either primarily on private support or program service revenue, with equally balanced revenue strategies typically shifting to primary dependence on one type of revenue (Teasdale, Kerlin, Young, & Soh, 2013). Dependence on a single revenue source for 60% or more of total income was defined as heavy dependence on that source (Chang & Tuckman, 1994). Charities heavily dependent on program service revenue generally had a more extreme dependence on program service revenue than did charities heavily dependent on private support (Chang & Tuckman, 1994). Exclusive dependence on program service revenue characterized 54 of the 201 (27%) charities founded since 1970 that since scaled to a large size, by generating more than $50 million in annual revenue (Kim & Bradach, 2012). Many of these charities exclusively dependent on program service revenue operate in fields including provision of human blood and tissue, financial services including student loans, and educational or

job readiness training. However, some charities rely primarily on private support, with 20% of charities relying on private support for more than 50% of total income and 12% of charities relying on private support for more than 75% of total income (Horne, 2005).

Fewer revenue sources are easier to manage. Charities heavily dependent on a single revenue source operated with improved administrative efficiency, with lower administrative and fundraising expenses relative to total expenses and private support (Frumkin & Keating, 2011). Another management incentive is profitability, the amount of revenue exceeding total expenses. Youth-serving charities with two significant revenue sources had a greater profitability than those with one or three significant sources (Miller, 2008). Dependence on multiple revenue sources is typical, although charities typically rely more on one type of revenue than another.

Field of operation. The link between field of operation and dependence on various revenue sources is both theoretically and practically important (Achleitner, Spiess-Knafl, & Volk, 2014). Field and mission appear inextricably linked to financial structure. Charities in the same field often serve generally similar functions, creating populations that can be analyzed to create meaningful results. A charity's field of operation was linked to diversification of revenue sources (Chang & Tuckman, 1994), and one theory describing charity finance was centered around mission (Young, 2007b; Young, Wilsker, & Grinsfelder, 2010). Incorrect identification of field of operation for charities by NTEE code found in the early 1990s appears to be mostly corrected, improving the reliability of available data (Turner, Nygren, & Bowen, 1993). Mission appropriateness was the primary attribute managers considered when evaluating a revenue source, followed by significance of revenue, risk that enough revenue would be

produced, opportunity costs limiting other revenue sources, and restrictions on organizational autonomy (Kearns, 2007). Earned-income ventures, especially when divergent from a charity's mission, distracted management and became financially draining (Foster & Bradach, 2005; Frumkin & Keating, 2011).

Fields of operation correlated to the types of relationships charities were most likely to have with their clients (Horne, 2005), relationships that influenced dependence on varying revenue sources. For instance, charities with client relationships most customer-like, such as health care providers, universities, housing providers, and recreation charities, were more likely to rely on program service revenue than on private support. Conversely, charities with client relationships least customer-like, such as advocacy groups and international relief and development charities, were most likely to rely on private support with far less emphasis on program service revenue.

Services provided related to client relationships were explained in terms of excludable and non-excludable goods (Steinberg, 2006). Excludable goods can be targeted at specific clients by the charities providing the service, but non-excludable goods cannot be targeted at specific clients and may benefit non-clients even without their knowledge of a charity's activity, such as clean air or improved public policy. Customer-like relationships are common with excludable goods provided to specific individuals who can be charged for services provided, whereas people can benefit from non-excludable goods based on non-customer-like relationships without obligation to pay for services provided. Since charities are often grouped by the nature of services provided, the excludable or non-excludable nature of services is common among the charities in the same field. Charities providing excludable goods are more likely to rely

more heavily on program service revenue, and charities providing non-excludable goods are more likely to rely on private support. The nature of the services is related to the dependence on different revenue sources, which is therefore often common among charities in the same field.

The ability to require service payments for excludable goods – and the inability to charge for providing non-excludable goods – affects the revenue structures of charities and their approaches to markets. The nature of excludable and non-excludable services impacted the relative dependence on different revenue sources, with charities offering mostly non-excludable public benefits funded by private support, excludable private benefits funded by program service revenue, and mixed benefits funded by a mix of these two sources (Fischer, Wilsker, & Young, 2011; Wilsker & Young, 2010; Young et al., 2010). Charities dependent primarily on program service revenue may extend their market-oriented thinking to solicitation of private support, since hospitals and universities were more likely to accept increased marginal costs of the last fundraising dollar spent to generate the most possible dollars from private support (Marudas & Jacobs, 2004). The use of marketing provided improved effectiveness of reaching donors for health research organizations. (McDermott, Tuckman, & Urban, 1999). Arguing for the importance of managers attending to market demands, the dependence on different revenue sources produced varying attendance results for arts charities. Arts charities more dependent on private support attracted fewer attendees than charities more dependent on program service revenue (Kim, 2014). Symphony orchestras depend heavily on private support, but have developed a strong market orientation to attract attendees and donors (Besana, 2012). While many charities in the same field of operation have a similar dependence on

various revenue sources, exceptions are possible based on the way individual charities approach markets.

Size matters, so does time. A charity's size influences dependence on revenue sources. Many charities depend mostly on private support when they are small (Bowen et al., 1994; Horne, 2005; Kim, Perreault, & Foster, 2011; Lecy & Van Slyke, 2012; Meckstroth & Arnsberger, 1998). In 1995, private support comprised about 50% of the total income for small charities, while private support comprised only about 10% of total income for large charities (Meckstroth & Arnsberger, 1998). Using 2003 figures revealed less dramatic differences in reliance on private support, with private support for the quintile of smallest charities comprising 18% of all revenue and 13% of all revenue for the quintile of largest charities (Lecy & Van Slyke, 2012). Larger and older charities more often increased their dependence on program service revenue and reduced their dependence on private support (Horne, 2005; Kim et al., 2011; Meckstroth & Arnsberger, 1998). The additional variable of age in the relationship between size and dependence on revenue sources raises interesting questions about financial trends experienced by individual charities and the population of charities as a whole. In particular, is the change in the dependence on different revenue sources over a span of decades related to the aging of charities, especially large ones?

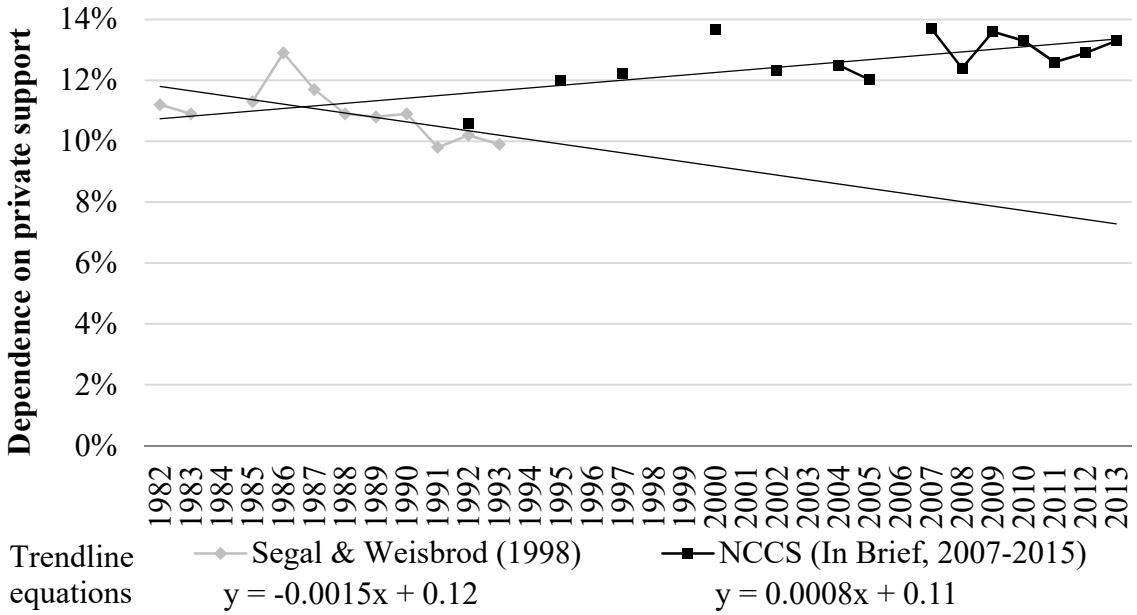
The time period considered for measuring relative dependence on program service revenue and private support affects observations. Examining the dependence on these two revenue sources, two comparable data sets combine to create a 32-year trend, between 1982 and 1993 (Segal & Weisbrod, 1998) and between 1992 and 2013 as reported in the *Nonprofit Sector in Brief* series (Blackwood et al., 2012; Blackwood et al., 2008;

McKeever & Pettijohn, 2014; *Nonprofit sector in brief*, 2007; Pettijohn, 2013; Roeger et al., 2011; Wing et al., 2009, 2010). During the entire period, total income increased 241% on an inflation-adjusted basis, an annual increase of 7.8%.

In both of these periods on an inflation-adjusted basis, the revenue generated by both program service revenue and private support increased at fluctuating rates. During the two periods presented by the two data sources, the percentage of total income derived from program service revenue increased, rising from 63.4% to 70.6% during the first period and increasing to 73.1% by the end of the second period. The increasing dependence on program service revenue in the first period is consistent with the observations of Salamon (1993, 2012a). Dependence on private support followed a different pattern of change, as shown in Figure 2.1.[2] From 1982 into the early 1990s, dependence on private support as a percentage of total income declined, raising concerns about the diminishing importance of donations (Meckstroth & Arnsberger, 1998; Segal & Weisbrod, 1998, Weisbrod, 1998a). Even with the increased dependence on program service revenue between the two periods, the trend in dependence on private support as a percentage of total income reversed direction and started increasing in the early 1990s, resulting in a modest increase of two percentage points between 1991 and 2013 in the dependence on private support. These changes in the dependence on both program service revenue and private support indicate that charities collectively may shift their dependence on different revenue sources over long periods.

[2] Government grants as a percentage of total income fluctuated between 7.6% and 9.8% during the entire period, with no trend of increasing or decreasing.

Figure 2.1. Private Support as a Percentage of Total Income



Management decision: risk of financial failure versus reward of rapid growth. Charity managers consider many variables when evaluating revenue sources. Managers must decide what sources of revenue to pursue based on a charity's ability to access a revenue source, constraints the source may place on a charity, and the possibility that the source improves access to other resources. A revenue source was considered important if that source was commonly used among many charities, comprised a significant proportion of revenue, and fit the ability of management to handle its complexity and uncertainty (Grønbjerg, 1993). Charity CEOs conceptualized revenue options based on the likelihood the source led to additional resources, aligned with the charity's mission, and created a sustainable funding source (Kearns et al., 2012). Charity managers pursue revenue sources other than donations partly because of the constraint on fundraising expenditures generated by the use of fundraising efficiency ratios by rating agencies, with high expenditures as a percentage of donations received leading to low

ratings that may limit future fundraising potential (Andreoni & Payne, 2011). Charity managers make conscious choices about pursuing revenue sources, including understanding the costs and stability of a revenue source, along with the potential to grow the source. Some managers choose private support as a primary source of revenue, while others do not.

One factor influencing the revenue sources accessed by charities is the attempt to reduce income volatility. Shifting dependence on revenue sources is one way charities reduce income volatility (Chang & Tuckman, 1991, 1994). Volatility in year-to-year private support encouraged charities to establish commercial revenue sources in order to stabilize total income (Bennett, Iossa, & Legrenzi, 2010). Panel data from 1991 to 2003 revealed lower marginal benefits of revenue diversification, such that each increment closer to a balanced revenue diversification between private support, program service revenue, and investment income provided incrementally less reduction in volatility of income (Carroll & Stater, 2009). The greatest reduction in volatility in this panel data resulted from initial, small increases in revenue from an alternative source, but not all diversification had equivalent impacts on reducing volatility. Differential effects of diversification depended on the type of substitutions made: Program service revenue replacing private support increased both expected revenue and income volatility, while investment income replacing private support lowered expected revenue and also increased income volatility (Mayer, Wang, Egginton, & Flint, 2014). In certain fields, government funding was a more volatile source of revenue than both private support and program service revenue (Vance, 2010). Housing charities dependent on government funding showed lower diversification of revenue sources, challenging the assumption that

all charity managers seek to reduce income volatility by diversifying revenue sources (Shea & Wang, 2015). Income volatility for charities heavily dependent on government funding also led to cash flow problems, accentuated by lower liquidity, lower revenue in excess of expenses (profits), and in some cases, higher accounts receivable (Miller, 2008). Income volatility, especially contributing to cash flow problems, may risk the financial viability of a charity.

The wisdom of dependence on a broad or narrow range of revenue sources remains a debated topic. Practitioners and scholars alike predominantly consider dependence on a broad range of revenue sources to be a superior management strategy. Practitioner-oriented advocacy promoted broad revenue diversification without question (Olglive, n.d.). Scholars adopted their thinking about revenue diversification from the management of investment portfolios (Chang & Tuckman, 1991). Tuckman & Chang (1991) were sufficiently convinced of the importance of broad revenue source diversification to incorporate diversification into their method for calculating financial vulnerability. This calculation method was used as the basis for several subsequent studies testing the proposed model and developing alternatives (Chang & Tuckman, 1991, 1994; Greenlee & Trussel, 2000; Hager, 2001; Keating, Fischer, Gordon, & Greenlee, 2005; Trussel, 2002; Trussel & Greenlee, 2004). Several studies espoused the benefits of broadly diversifying revenue sources (Carroll & Stater, 2009; Froelich, 1999; Frumkin & Keating, 2011; Hager, 2001; Kingma, 1993; Moulton & Eckerd, 2012). A common belief holds that charities pursue revenue diversification as a fundamental tenet of their financial strategy.

However, a series of studies articulated a seemingly contradictory finding. Relatively young charities, founded later than 1970, with annual income that exceeded $50 million, typically mastered and fully exploited a narrow set of revenue sources (Foster, Dixon, & Hochstetler, 2003; Foster & Fine, 2007; Kim & Bradach, 2012). This finding reinforced an observation that charities focusing on a narrow range of funding sources grew more quickly than charities broadly diversifying revenue sources (Galaskiewicz & Bielefeld, 1998). A narrowly focused set of revenue sources led to increased financial capacity for charities, particularly for total income (Chikoto & Neely, 2014; Faulk, 2010). Another study, based on charities with broadly and narrowly diversified revenue sources, revealed no difference in growth between these groups of charities for measures of income, assets, or program expenses (Frumkin & Keating, 2011).

Despite their contrary appearances, dependence on a broad or narrow range of revenue sources reflects the dual nature of risk and reward for charity revenue strategies. Broad revenue source diversification reduces the risk of failure for charities while simultaneously slowing total income growth, whereas a narrow focus of revenue sources rewarded charities by enabling fast growth, while simultaneously exposing them to a greater risk of financial failure. Grønbjerg (1993) observed this dual nature of revenue strategies:

> High reliance on one single funding stream is likely to have fateful consequences for an organization, because it becomes dependent on a relatively narrow range of environmental factors or on idiosyncratic events associated with the stream. However, while that increases risks, it also greatly simplifies management tasks and allows the organization to specialize and fine-tune its management efforts. (p. 56)

Management perception of balancing the reward of rapid growth with the risk of financial failure remains an inadequately examined topic regarding revenue diversification. While nuances arise based on a charity's age or field of operation, findings show that the breadth of revenue strategies and their impact on the speed of a charity's growth apply across the population of charities. One overlooked variable regarding revenue diversification is the accessibility of various revenue sources at different times. For instance, changes in government policy can quickly change the availability of government funding. Similarly, an economic downturn can slow the receipt of private support. Valuable insights could be gained with improved understanding of the variable cost of capital at different times from different sources. While the time period examined appears to impact the dependence on revenue sources for charities overall, and this may be related to different availability of funding at different times, management decisions govern the revenues pursued by individual charities.

Concentration of Financial Resources

Concentration of financial resources arises when a small number of organizations in a population control a disproportionate share of financial resources, with the percentage of financial resources controlled far exceeding the percentage of organizations controlling them.[3] Researchers have observed concentrations across various financial measures for charities, including private support, revenue, expenses, assets, and employment. Identification of trends in concentration and analyses to better understand concentration are far less frequent. Commentary regarding concentration typically highlighted the negative impact dominant charities posed rather than the benefits created

[3] *Concentration* here means the control of financial resources within a population of charities. Some scholars use the term *concentration* to describe heavy dependence on a particular revenue source within an individual charity. The revenue dependence sense of concentration is not used in this dissertation.

by charities amassing sufficient resources to grow to scale, which may enable them to better address social problems.

Concentration of private support measured as a percentage of total U.S. giving increased during the twentieth century. Indicating concentration did not increase early in the twentieth century, a systematic shift in private support favoring large charities over small ones was not found between 1900 and 1925 in New Haven, Connecticut (King & Huntley, 1928).[4] However, concentration increased nationally in the next quarter century. Between 1924 and 1948, consolidated financial information revealed a substantial concentration of private support among leading charities, with the *Community Chest* receiving 7%, the *American Red Cross* receiving 4%, and the *United Jewish Appeal* receiving 1.5% (Jenkins, 1950). Shares of private support continued this sharp drop, with the next largest charities receiving 0.60% for the *National Tuberculosis Association* and 0.38% for the *National Foundation for Infantile Paralysis*.[5] However, this study omitted several major charities, such as religious denominations, the *YMCA*, and individual universities.[6] These omissions raise questions about the data's comprehensiveness, although the existence of concentration is very clear.

Largely overlapping the period studied by Jenkins, from 1920 to 1953, *Harvard University* received $264 million, *Yale University* received $247 million, *University of Chicago* received $139 million, *Northwestern University* received $109 million, and

[4] New Haven was characterized as a nationally representative city at the time, which is why this city was studied.

[5] The denominator of total giving used by Jenkins is most likely understated, which indicates the reported percentages are probably higher than they actually were. Interestingly, in the 1950s, both *National Tuberculosis Association* and *National Foundation for Infantile Paralysis* substantially changed their missions in response to changing social problems and respectively renamed themselves, after several iterations each, *American Lung Association* and *March of Dimes*, respectively (Cleveland, 2011).

[6] Churches received 60.9% of private support between 1924 and 1948, while hospitals received 3.9%, and higher education received 3.1%. Charities outside the named charities and these specified fields received 12.7% of private support (Jenkins, 1950, p. 91).

Columbia University received $95 million (Jones, 1954, p. 72). These figures from the five universities receiving the most private support during this 33-year period would have put them among the charities receiving the most private support in the United States, all close to or above the $98 million received by *National Foundation for Infantile Paralysis*, as reported by Jenkins. Between 1919 and 1930, *YMCA Financial Service Bureau* raised $104 million, ranking the *YMCA* among the top receivers of private support during the period (Hopkins, 1951, p. 600). Receipts during this 12-year period would also have placed the *YMCA* in the class mentioned by Jenkins. Underscoring the persistence of leading charities, all five of the charities mentioned by Jenkins (1950) plus the five universities mentioned by Jones (1954) and the *YMCA* remain as leading recipients of private support today.

The concentration observed by Jenkins' study (1950), with five charities receiving 13.5% of private support, was more broadly considered by two studies at the end of the twentieth century. Concentration of private support among charities continued to increase. Examining individual Form 990 filings from 1988, 1% of charities received 69% of private support, 5% received 90%, 10% received 96%, and 20% received 99% (Tuckman & Chang, 1998). Using slightly different sampling parameters to select Form 990 filers from 1998 to 2000, 20% of the charities received 90% of private support (Horne, 2005). In 2003, the largest 20% of human services charities by revenue received 80.5% of the private support received within that field (Lecy & Van Slyke, 2012). At a local level, concentration of private support among health advocacy charities varied among cities nationally (Feigenbaum, 1987). Each of these studies mentioned the concentration of private support as a tangential point. One methodological issue clouding

comparison of the national studies is that Jenkins used consolidated financial reports from broad organizational networks, while the more recent scholars used disaggregated Form 990 data from individual affiliates.

Observations of the concentration of private support were complemented by observations of concentration of other financial measures among charities, such as total income and expenses. The observation of the largest 20% of human services charities receiving 80.5% of private support was accompanied by the observations that these charities commanded an even greater percentage of total income (87.4%), government grants (89.6%), and program revenue (90.2%) (Lecy & Van Slyke, 2012). Concentration of total income and expenses was observed with little comment in the annual *The Nonprofit Sector in Brief* (Blackwood et al., 2012; Blackwood et al., 2008; McKeever & Pettijohn, 2014; *Nonprofit sector in brief,* 2007; Pettijohn, 2013; Roeger et al., 2011; Wing et al., 2009, 2010), by Boris (1999, 2006), by Pollak and Pettit (1997), and in Salamon's overviews of the nonprofit sector (1992, 1999, 2002, 2012a, 2012b). These reports presented no explanation or trend analyses and reported figures in percentages that prevented post hoc trend analysis, because the percentages were based on two nonconstant numbers: the number of charities and aggregated total income or expenses. Reflecting the effect of this concentration, Salamon and Dewees (2002) noted that 10% to 15% of charities controlled the vast majority of resources, such that no more than 175,000 charities employed even a single person, and most employment was by an even smaller minority of charities.

Some studies examined concentration within fields of charities and found a distribution of financial resources favoring large charities (Foster et al., 2003). Among

the largest 5% of charities within a field, the budget of the largest organization was eight to fifteen times larger than the budget of the organization at the 95th percentile (Bowen et al., 1994). Total income among the top four environmental conservation charities revealed significant concentration (Armsworth et al., 2012). Some fields of charities were more concentrated in expenditures than others, with fields that have charities ranked in the Philanthropy 400 generally having more concentrated expenditures than fields without individual charities that have generated high levels of private support, such as public safety, social science, and employment agencies (Seaman, Wilsker, & Young, 2014).

Three studies observed trends in the concentration of financial resources among nonprofits, rather than simply presenting a snapshot. Barron (1995) observed increasing concentration of total assets held among credit unions. Galaskiewicz and Bielefeld (1998) observed increasing revenue concentration among Minneapolis area charities. Lecy (2010) observed a trend of increasing concentration of revenue in a cadre of international development charities, raising the concern that the concentration of revenue created an unhealthy, top-heavy industry. Concerns about the dominance of a small number of organizations and the fate of organizations with access to fewer financial resources are common in discussions of concentration of financial resources. These concerns are often raised without considering the capacity created by large charities, the issue awareness created by solicitation, and the greater appeal of the large charities compared to the small charities.

An outcome related to the concentration of financial resources controlled by a small number of charities involves changing competition. Competition for private support

has been characterized as either beneficial or detrimental. Rose-Ackerman (1982) demonstrated that increased competition for private support reduced the level of services provided, largely due to increased fundraising expenses. Rose-Ackerman suggested one way to minimize fundraising expenses is to engage in federated fundraising, although the federated approaches have always had specific charities unwilling to participate (Cleveland, 2011). Reflecting Rose-Ackerman's support of federated fundraising as a way to lower costs, monopolies for fundraising lowered costs and increased services on a focused basis, and competition for service delivery was particularly good for increasing output of services (Philipson & Posner, 2009). Additional fundraising expenditures made by competitors most likely stole donors away from other charities rather than increasing overall charitable resources (Thornton, 2006).

The appearance of competition in fundraising not leading to significant growth in total U.S. giving coincides with the observation that private support has ranged from 1.6% to 2.1% of GDP since 1973 (Giving USA Foundation, 2015), a pattern that can be traced back to the initial publication of *Giving USA*.[7] GDP increased since 1950 along with a commensurate increase in total U.S. giving. Increased fundraising expenditures are popularly claimed to enable access to previously untapped sources of private support that may help to extend the potential of charities to solve social problems by expanding overall financial resources available to charities (Pallotta, 2008). These differences of opinion about competition, often piqued by the costs of generating private support, have contributed to an image and perception problem for charities related to their size and

[7] Total private support gleaned from *Giving USA* reports ranged from 1.5% to 1.9% between 1950 and 1970, with some of the increase possibly due to methodological changes for calculating private support.

revenue sources, and how the public has outsized performance expectations for charities based on their available resources (Carson, 2002).

Conclusion

This literature review underlines many opportunities to expand on scholarship measuring growth trends among charities, whether trends are for the number of charities or associated financial measures. Although the importance of solicitation for generating essential revenue for charities was broadly acknowledged decades ago, the results of solicitation efforts, measured by private support received by charities, remain understudied. This lacuna is confounding, since competition for private support was acknowledged by the time of World War I, when many of the currently used fundraising techniques had been developed and charities already had grown to a national scope in a recognized, predictable fashion (Cutlip, 1965).

In the intervening century, while snapshots quantifying the population of charities were common, longitudinal analyses were far rarer. Genesis of data was an important distinction in comparing studies, whether the data were based on donor-derived figures of reported gifts or from charity-derived data reflecting receipt of private support, since these sources provide different, yet comparable information. Similarly, the reporting basis of figures from charities, whether consolidated for an entire organizational network or Form 990 data from individual affiliates, has significant impacts on the results.

While some studies provided a good indication of what happens over an extended period at the local level or within a specific field, comprehensive studies about private support trends at the national level were extremely rare. Similar lacunae were found for studies analyzing and reaching conclusions about the importance of observed trends in

revenue sources, dependence on those sources, and concentration of financial resources among charities. The few studies observing concentration of private support and other financial resources among a small number of charities offered no insights into changes in this concentration. Underlining the importance of understanding the context in which charities operate, certain trends may change, such as the dependence on private support. These trends can provide information critical to charity managers as they evaluate revenue strategies that can facilitate charity growth or risk financial failure.

A primary purpose of this dissertation is to improve the knowledge about growth trends among charities, especially charities receiving the most private support. This dissertation primarily measures financial data consolidated to include affiliates of an organizational network. Little research has used consolidated financial information from affiliated charity networks. Scholarship analyzing trends of the results of fundraising – the amount of private support received – is quite rare. In the following chapter, the theories of organizational ecology will be used to outline expected outcomes based on trends of growth among charities. Following this chapter, the methods of analysis are outlined prior to the presentation of results in the subsequent chapter. A discussion of the results concludes this dissertation.

Chapter 3: Organizational Ecology and Growth Among Charities

As discussed in the preceding chapter, researchers using the disciplines of history, economics, and sociology have explored growth among charities. While history provides valuable insights, the various case studies typically presented by historians do not create a generalizable understanding of growth among charities. Economic theories developed specifically for philanthropy and the nonprofit sector focus primarily on donor behavior (Bekkers & Wiepking, 2011) and justification for the existence of the nonprofit sector as separate from the commercial or government sectors of the economy (Hansmann, 1980; Steinberg, 2006), while inadequately addressing the growth within the nonprofit sector from the organization's perspective. Finance, a subfield of economics, offers the theory of revenue diversification, but this focuses mainly on revenue streams accessed as they impact survival of individual charities (Chang & Tuckman, 1991, 1994, 2010). Sociology offers the most applicable theories to explain growth among charities ranked in the Philanthropy 400.

Sociological theories of organizational ecology provide a promising approach to explain growth among charities. Organizational ecology is grounded in three observations: Populations of organizations exhibit diversity, organizations face challenges adapting to changes in their environments, and organizations regularly emerge and die (Baum, 2001; Baum & Shipilov, 2006). These three observations are amply demonstrated by charities. Exhibiting diversity, charities provide a wide variety of services, are geographically dispersed, and vary in size and corporate structure (see for example, Salamon, 2012a, 2012b). Many charities regularly make incremental changes to adapt to changing circumstances, while a few charities have changed their mission, like

the *March of Dimes* (Baghdady & Maddock, 2008; Brint & Karabel, 1991), or their fundamental approach, like the *YMCA* (Zald & Denton, 1963), and many charities adapt to challenges in both favorable and unfavorable circumstances (Brown, McKeever, Dietz, Koulish, & Pollak, 2013). Reflecting that charities emerge and die, births and deaths frequently have been studied among charities (Anderson, Martinez, Hoegeman, Adler, & Chaves, 2008; Bielefeld, 1994; Bowen, Nygren, Turner, & Duffy, 1994; Brown et al., 2013; Chambré & Fatt, 2002; Dougherty, Maier, Vander Lugt, 2008; Hager, 1999, 2001; Hager, Galaskiewicz, Bielefeld, & Pins, 1996; Hager, Pins, & Jorgensen, 1997; Helmig, Ingerfurth, & Pinz, 2013; Maier, 2010; Twombly, 2003). Organizational ecology provides a framework to examine changes among charities.

Scholars using organizational ecology have studied growth broadly in the nonprofit sector and, more specifically, among charities. These studies have included examination of the total number of nonprofits, access to resources, and distribution of resources. As defined previously, nonprofits include a much broader population of organizations than the public charities with a 501(c)(3) recognition from the IRS. Nonprofits studied using organizational ecology include credit unions (Amburgey, Dacin, & Kelly, 1994; Barron, 1995; Barron, West, & Hannan, 1994), labor unions (Carroll, 1988; Carroll & Hannan, 1990; Hannan, 1989, 1995; Hannan & Carroll, 1992; Hannan & Freeman, 1989; Zucker & Kreft, 1994), along with general trade associations (Aldrich & Staber, 1988; Aldrich, Staber, Zimmer, & Beggs, 1990; Aldrich, Zimmer, Staber, & Beggs, 1994) and specialized trade associations, such as producers' cooperatives (Aldrich & Stern, 1983), research consortia (Barnett, Mischke, & Ocasio, 2000), state bar

associations (Halliday, Powell, & Granfors, 1987), and women's medical societies (Marrett, 1980).

For charities specifically, organizational ecology studies in the United States have included Catholic Schools (Bryk, Lee, & Holland, 1993; Sander, 2001), community colleges (Brint & Karabel, 1991), hospitals (Zucker, 1987), human services (Tucker & Sommerfeld, 2006), museums (Blau, 1995; DiMaggio, 1986, 1991; Gammage-Tucker, 1996), self-help organizations (Archibald, 2007a, 2007b, 2008), sheltered workshops (Kimberly, 1975), and social movements (Hall & Hall, 1996; McCarthy, Wolfson, Baker, & Mosakowski, 1988; Minkoff, 1995, 1997; Zald & McCarthy, 1979, 1987), along with day care centers and social service organizations in Toronto (Baum & Oliver, 1991; Baum & Singh, 1994a, 1994b, 1994c; Singh, House, & Tucker, 1986; Singh, Tucker, & House, 1986; Singh, Tucker, & Meinhard, 1991; Tucker, Singh, & Meinhard, 1990; Tucker, Singh, Meinhard, & House, 1988). Each of these studies examined narrow fields of charities.

Organizational ecology includes several theories useful in addressing the research questions posed in this dissertation, outlined in the remainder of this chapter. However, a heterogeneous population of charities has not been studied using organizational ecology theory, necessitating justification for extending organizational ecology theory to a population of functionally diverse charities like those found in the Philanthropy 400. Following this justification, the specific research questions regarding age, dependence on private support, and concentration of private support will be linked to organizational ecology concepts of s*tructural inertia*, along with the *liabilities of newness, smallness, aging, senescence*, and *obsolescence*. *Resource rigidity* and *resource dependence* add

nuances to explain variations in growth. This link between theory and the research questions produces a group of testable hypotheses.

Charities as a Population

This section outlines how organizational ecology can be extended to analyze a group of heterogeneous charities as a population, such as the Philanthropy 400. A heterogeneous population of large Canadian for-profit companies was analyzed using organizational ecology (Baum & Korn, 1991; Korn & Baum, 1994). Beyond this precedent, this section describes theoretically prescribed aspects of the definition of a population. Charities meet the definition of a population by being bounded by a common form. As commonly found in populations of organizations, the population of charities has permeable boundaries and exhibits heterogeneity among individual charities in the same field of operation. Both external audiences and internal operatives contribute to the coherence of this population through broad legal and public recognition, including a common labeling language, which further justifies analyzing charities as a distinct population, particularly the types of charities ranked in the Philanthropy 400.

Form and boundaries. Organizational ecologists have long debated how to properly define populations of organizations (Aldrich & Pfeffer, 1976; DiMaggio, 1994; Hannan, Pólos, & Carroll, 2007). Population models developed by organizational ecologists limit inclusion only to organizations that display a common set of core features through a similar form or function (Aldrich & Pfeffer, 1976; Hannan et al., 2007; Scott & Meyer, 1991). As illustrated in the preceding section by the lists of the organizational ecology studies involving nonprofits and charities, organizations in a population are typically engaged in similar activities with similar resource utilization (Baum & Shipilov,

2006; Hannan & Freeman, 1977, 1989). However, even within groups engaging in similar activities, organizations exhibit heterogeneity. For instance, human service organizations can pursue temporary relief or permanent change for their clients through a wide variety of services, from providing food or shelter to various forms of counseling.

Common form. Charities satisfy the definition of a population, because they have a common form, interact with one another, and compete over common resources (Hannan & Freeman, 1977). The common form for the Philanthropy 400 is that of recognition as a 501(c)(3) public charity. Aside from individual charities often being engaged in similar activities with similar resource utilization as other charities, large charities regularly interact with one another by being grantors or grantees, engaging in collaborative efforts, and working together to improve their communities. Competition for common resources, especially financial resources and personnel (both voluntary and paid), draws charities together as a population (Hannan et al., 2007). Competition for resources is particularly true for large charities pursuing private support at the highest level.

Population boundaries. One problem encountered during any period examined by organizational ecologists is the shifting of population boundaries. Functional activities, products, and services of specific organizations change more frequently than organizational form (Aldrich & Pfeffer, 1976; Scott & Meyer, 1991). The retention of organizational form depends on variables such as slow technological change, low rate of failure, government subsidies, and organizations resistant to hostile takeover (Aldrich & Pfeffer, 1976), all characteristics shared by charities. Echoing Stinchcombe (1965), the stability of organizational form reflects freely operating environmental selection, where the original form remains useful due to unchanged environmental parameters, absence of

a new form developed by new population entrants, or barriers to entry that isolate the population from certain environmental effects (Aldrich & Pfeffer, 1976). Despite evolution among the population of charities, the charity organizational form, which evolved into its current recognition as a 501(c)(3) charity in 1954, remains in use after centuries of existence (Arnsberger, Ludlum, Riley, & Stanton, 2008).

A population's boundaries are permeable, allowing organizations to move into and out of the population (Hannan et al., 2007). Permeability is evidenced as charities regularly form and become defunct. In addition to births and deaths of charities, viable charities moving into or out of the population reflect permeability in five other ways. The first way is for a charity to become a private foundation rather than a public charity, or vice versa. Among the charities in the study population, the *Cameron Foundation, Institute of Paper Chemistry Foundation,* and *Poetry Foundation* all converted to a private foundation, while the *Milken Institute, Nuclear Threat Initiative,* and *Pew Charitable Trusts* all converted to a public charity. This transition still leaves the organization with a 501(c)(3) status, with somewhat different regulatory and reporting requirements. The second way is for a charity to convert to another exempt status, such as a 501(c)(4), or vice versa. One example of this was the *Sierra Club* converting to a 501(c)(4) to facilitate political advocacy, while still maintaining a 501(c)(3) supporting organization that could accept donations with tax-exempt benefits. A third way is for a charity to become a for-profit entity, rescinding its nonprofit status and transferring assets to charitable purposes. This occurred with *Conservation Services Group.* While rare, a commercial entity can choose to become a charity by negating the equity value of shareholders and taking on an explicitly charitable purpose. As an example, hospitals

transiting the charity boundary were termed entrants, exiters, switch into, and switch from (David, 2010). A fourth way reflecting boundary permeability is the entrance or exit due to charities splitting or merging. As one example, individual churches enter or exit the population of charities by taking on a new identity through schisms and mergers (Chaves & Sutton, 2004). A fifth way is the transfer of a charity to government control.

Natural populations, both those based on functional products and organizational form, have clear boundaries and fuzzy family resemblances that reflect heterogeneity between organizations (Hannan et al., 2007). Heterogeneity of functional activities within the population of charities creates a limitation that maximizes inclusion for a form-based population. Heterogeneity occurs in nearly every population, even those producing a seemingly straightforward functional product, such as newspapers (Baum & Shipilov, 2006; Carroll & Hannan, 2000; Scott & Meyer, 1991). Heterogeneity has been a main theme in organizational ecology studies covering specific fields of operation for charities (for example, Clark, 1983; Hasenfeld & Abbott, 1992). Functional heterogeneity is expected in populations with broad functional inclusion, such as the Philanthropy 400. "No theory can be general, precise, and realistic at the same time. Theories must sacrifice on some dimensions to maximize others" (Baum & Shipilov, 2006, p. 100). With narrowly focused populations, more specific and detailed data can be used to model differences and similarities in niches. However, broad populations require use of broad statistics, which limit the specificity of analysis, while retaining some generalizability.

Legal and public recognition leads to a common labeling language. In addition to form bounding charities into a recognizable population, organizational ecology requires population members to have a recognizable set of producers, an

audience that perceives the organizations as a population, and a common labeling language (Hannan et al., 2007). As a recognizable population, charities are regulated and delineated under common legal frameworks.

Legal recognition. Charities have long been subject to a specific set of government laws and regulations, meeting one organizational ecology definition of a population (Baum & Shipilov, 2006). Charities are bounded as a crisp set (Hannan et al., 2007), bounds that include recognition as 501(c)(3) organizations by the IRS. 501(c)(3) recognition requires submission of a formal application, which is often preceded by incorporation at the state level as a nonprofit organization.[8] While the incorporation process evolved over more than two centuries, charities have long had a distinct form of incorporation (Silber, 2001). Charities are regulated by a common body of rules both at the federal level by the IRS, and at the state level, typically administered by the Secretary of State or the Attorney General. Both federal and state regulation of charities date back centuries (Fremont-Smith, 2004; Hopkins, 2013; Newman, 1955; Oleck, 1956; Oleck & Stewart, 1993; Zollmann, 1919a, 1919b). Reflecting the extended time that charities have been regulated as a distinct population, local and state permits required for charitable solicitation of private support date back about a century (Barber, 2011; Barber & Farwell, 2014; Harris, Holley, & McCaffrey, 1990; Hopkins, 1980). Charities are legally recognized as a population, and the solicitation of private support is included in government regulation.

[8] Fewer than 100 charities have been chartered by the United States Congress and not incorporated at the state level. See Kosar (2011) for details about federally chartered charities, several of which are ranked in the Philanthropy 400. Additionally, some unincorporated associations are recognized as 501(c)(3) public charities.

Public recognition. Two important audiences, the general public and scholars, perceive charities as a distinct population. The general public is solicited by charities and has developed awareness of charities' activities, both as donors and volunteers. Recognition as a charity generates a favorable status, because "classification as a … charitable organization entitles an entity to [receive charitable donations] as well as favorable treatment from other organizations as well as authorities" (Hannan et al., 2007, p. 74).

Scholars often study charities as a single population and publish their research in peer-reviewed journals specific to the field broadly, such as *Nonprofit and Voluntary Sector Quarterly* and *Nonprofit Management & Leadership,* along with more discipline-specific journals, such as *Journal of Nonprofit & Public Sector Marketing* and *Nonprofit Policy Forum.* Scholarly research and interest in professional development by charity employees contributed to the creation of hundreds of nonprofit management academic degree programs (Mirabella, 2007). Similarly, scholars have developed theories explaining the nonprofit sector as distinct from other sectors of the economy (Hansmann, 1980; Steinberg, 2006). A long history of quantifying charities as a population includes aggregated national figures specific to charities (Hodgkinson, 1992; Hodgkinson & Weitzman, 1984, 1986, 1988; Hodgkinson, Weitzman, Abrahams, Crutchfield, & Stevenson, 1996; Roeger, Blackwood, & Pettijohn, 2012; Weitzman, Jalandoni, Lampkin, & Pollak, 2002; Wing, Pollak, & Blackwood, 2008) and the common resource of private support (Giving USA Foundation, 1956-2015; Hagar, 1904; Jenkins, 1950; Jones, 1940, 1942, 1943, 1946, 1948, 1949, 1954). Both the general public and scholars

reinforce the conception of charities as a distinct population, even if they conflate the population of 501(c)(3) public charities with the broader nonprofit sector.

Labeling language. Bounding charities as a population, a common labeling language promoted by a common regulatory framework and external audiences is reinforced by charity trade associations and trade publications. The consensus among members of a population regarding the nature of their identity is critical for the population's sustainability (Scott & Meyer, 1991). Facilitating this consensus, charities have trade associations appealing to nonprofits of many functions, such as the Independent Sector, Association of Fundraising Professionals, Alliance for Nonprofit Management, and American Society of Association Executives. These trade associations hold conferences, facilitate networking among charity employees, offer widely recognized certifications, publish periodicals, and discuss industry standards – such as the code of ethics developed by the Association of Fundraising Professionals. Two trade associations for charities joined together to develop accounting standards for all charities half a century ago, a significant development in charity self-regulation (*Standards of Accounting,* 1964). Trade publications, such as *The Chronicle of Philanthropy, Nonprofit Times,* and *Nonprofit Quarterly,* cover news of interest for both philanthropy and nonprofits in general – and charities in particular. In addition to societies and publications facilitating a common labeling language, employees move between charities for employment. Helping to build and maintain the identity of charities as a population is a specialized set of professional advisors for charities, such as accountants, lawyers, and consultants. Similarly, rating agencies, such as GuideStar and Charity Navigator, help educate donors and provide validation for charities meeting their standards. The language

and activities of professionals working for charities further justify examining charities as a population.

Charities in the Philanthropy 400 comprise an identifiable population. This section outlined several arguments justifying use of organizational form to bound the population of charities ranked in the Philanthropy 400. The 1,101 charities included in the Philanthropy 400 study population is a small fraction of all public charities, which number over one million. The majority of studies using organizational ecology theory examine populations of organizations in closely related functional areas, such as beer brewing, newspaper publication, or telephone service provision. However, even within these populations of similar producers, heterogeneity exists.

This dissertation takes a broader view of the applicability of organizational ecology to populations by extending this theoretical framework to examine a functionally heterogeneous population of charities bounded by a common form. Definition of the form-based population of charities is reinforced by the clear bounds set by legal identity and regulation, and with population boundaries sufficiently permeable to allow individual charities to enter and leave the population without compromising the boundaries. General public recognition of charities as a population is an important facet of generating private support, because people would be far less likely to donate if they did not understand the concept of charitable organizations. Development of a common language through other audiences, such as scholars and trade associations, further bolsters the theoretical consistency of charities with organizational ecology's definition of a measurable population. With the breadth of functional areas included in the population comes an

equivalently broad set of metrics that limit analyses to only drawing equivalently broad conclusions.

Organizational Ecology Characteristics Applicable to the Philanthropy 400

Organizational ecology posits that populations are comprised of organizations with predictable characteristics, applicable to the first research question: *Does charity age affect the persistence of charities ranked in the Philanthropy 400?* All charities in the Philanthropy 400 are large, enabling exploration of other variables affecting persistence in the rankings. Sometimes conflated with size, age is a variable with theoretical significance.

Size of organizations. Size matters. Following a trio of studies (Barnett & Amburgey, 1990; Baum & Korn, 1991; Korn & Baum, 1994), this dissertation departs from organizational ecology's typical focus on small organizations, along with its focus on births and deaths, and quantifies the financial growth of large organizations. Large charities can have outsized influence with their concentrated control of financial resources, mobilization of employees and volunteers, and presence in multiple geographic locations. From an organizational ecology standpoint, large incumbents occupy the largest niches and create legitimacy to facilitate the entry of other charities into the same field of operation, while leaving available smaller niches for new entrants and other charities. Large charities may also have an outsized influence over public policy due to a superior network of stakeholders and are the most recognized charities through their brand development. Large charities, especially those ranked in the Philanthropy 400, compete for private support as a critical revenue source.

Large organizations commonly grow to dominate their industries, regardless of the maturity of that industry (Barron, 1999), a phenomenon seen with the skewed sizes of even the largest charities in the same field (Bowen et al., 1994). Large size, especially with the structural inertia size offers, provides market power for individual organizations (Baum, 2001). Large incumbents have advantages for growth, such as access to financial resources, an established model to manage operations, and the ability to protect their market positions (Ranger-Moore, 1997). Financial resources can be transferred within an organization to help expand operations in both existing and new locations. Large organizations more frequently have slack resources available that can be used to finance growth or change, building on their existing infrastructure (Pfeffer & Salancik, 1978). Large incumbents can protect and grow their positions with a strong brand, better personnel, and effective technology (Ranger-Moore, 1997). In addition to facilitating expansion, large charities can protect their existing positions with strategies, such as solidifying relationships with supporters, amassing information used to further their cause, and influencing the legislative environment.

All of the Philanthropy 400 charities are large. The minimum amount of annual private support received by any charity ever ranked in the Philanthropy 400 was $22.5 million, inflation-adjusted to 2014 dollars. This level of only revenue derived from private support places all ranked charities among the largest 3% of all charities by total income.[9] The consistency of large size among ranked charities enables the focus on other characteristics in the analyses.

[9] The lowest amount of private support for 400th position in the rankings, in 2014 dollars, was $22.5 million for the 1991 ranking. The value for 400th position in various years' rankings were compared to the total income figures reported by individual charities from the 1995 through 2015 BMF archives to calculate the 3% figure.

Age characteristics. While size matters, age is an important variable influencing organizations. At their founding, charities have different sizes and grow at different rates. Younger organizations that grow quickly to large size have advantages and counterbalancing disadvantages, although those disadvantages are often size related, rather than age related. Over 200 charities founded since 1970 have grown to large size, generating over $50 million in annual total income (Foster, Dixon, & Hochstetler, 2003; Foster & Fine, 2007; Kim & Bradach, 2012). Among these relatively young, large charities are broadly recognized charities in a wide range of fields, including health advocacy organizations *Autism Speaks* and *Susan G. Komen for the Cure,* the education organization *Teach for America,* fundraising facilitator *Network for Good,* and social services provider *Habitat for Humanity.* Older charities that grow to large size also have advantages, but these advantages have counterbalancing disadvantages. Since change is difficult, large incumbents may face difficulty adjusting to the accumulating social changes. Despite the persistence of many charities in the Philanthropy 400 during the last quarter century, these individual charities are not indefinitely guaranteed to receive such relatively high amounts of private support.

Legitimation facilitates new entrants. Incumbents define populations and facilitate entry and survival of new organizations. *Legitimation theory* states that incumbents facilitate the entry and survival of new organizations in a population (Hannan et al., 2007). Incumbents aid new entrants by improving their survival through defining the field of operation, providing credibility, and exchanging resources (Wiewel & Hunter, 1985). Entrepreneurial charities became incumbents by creating new fields of operation for American charities, such as the founding of *Harvard College* in 1636 (higher

education), the *Cleveland Community Foundation* in 1914 (community foundations), and the *Bank of America Charitable Gift Fund* in 1955 (commercially affiliated donor-advised funds). Incumbents create legitimacy by providing a familiar reference for similar organizations (Baum & Shipilov, 2006); new entrants may describe themselves as "similar to familiar incumbent XYZ." New entrants fill vacant functional niches adjacent to incumbents, and these slight differences may access resources unavailable to incumbents, while also clouding functional definitions describing populations of organizations (Hannan et al., 2007). When the geographic reach of an incumbent is limited, such as is typical for a community foundation or museum, legitimation benefits new entrants emerging in new geographies (Carroll & Hannan, 2000). Pioneering charities that successfully became incumbents facilitate survival of new entrants, both into the same fields and for charities in general.

Advantages for younger organizations. Beyond legitimation, age-based advantages and disadvantages influence the survival and growth of both new entrants and established incumbents. Younger organizations have structural advantages over older organizations. Stinchcombe (1965) posited that organizations reflect their founding environment. The founding structure and organizational technologies used to initially form an organization are difficult to change. As an industry evolves, more recently formed organizations have certain advantages. New organizations are better suited to the contemporary environment, because they are not burdened with the legacy of outdated bureaucratic and physical infrastructure. New organizations can focus their missions on the most pressing issues of the time, tailored to appeal to contemporary stakeholders. In addition to the benefits of legitimation, new entrants are better positioned than previous

entrants to replicate success and avoid failure due to identifiable unoccupied niches, models to imitate, and pitfalls to avoid. Contributing to survival, resources are often exchanged either directly or indirectly between existing and new organizations, such as technology, personnel, and material resources (Wiewel & Hunter, 1985).

Disadvantages for younger organizations. Younger organizations encounter some disadvantages, although age and size are frequently conflated. Younger organizations often suffer from a *liability of newness,* because they are relatively unknown, lack resources, have no established processes, cannot point to successful results, and may demonstrate inadequate performance (Stinchcombe, 1965).

Exploring the liability of newness, rather than age, the most critical factor may be, the *liability of smallness* – the lack of resources and an inadequate network – that makes the organizations vulnerable to short term reduction in resources (Aldrich & Auster, 1986). The liability of smallness could illuminate why some charities exist for many years and then expire: The organizations stay small and cannot recover from a crisis. Small charities typically have proportionally less earned income than large organizations (Bowen et al., 1994), are not equipped to manage government grants or contracts, and do not have sizeable endowments. Smaller charities are typically more dependent upon private support as a revenue source than larger charities (Horne, 2005; Lecy & Van Slyke, 2012; Meckstroth & Arnsberger, 1998), and these small charities become more vulnerable if large charities receive an increasing share of private support. Age and size can be conflated, and since all charities ranked in the Philanthropy 400 are large, this common attribute of size heightens the focus on age. Younger charities may suffer from a liability of newness.

Advantages for older organizations. Parallel advantages and disadvantages exist for older organizations. Older organizations have advantages, because they typically institutionalize processes based on experience. *Structural inertia* describes the core features of organizations, which change slowly that both help to define the organization and aid in its survival (Hannan & Freeman, 1989). An organization usually maintains core features of the structural model established early in its development (Stinchcombe, 1965). The inertia created by this structural model provides consistent core features of the organization, such as goals, form of authority, core technology, and market strategy. These core features allow individuals inside and outside the organization to develop specific expectations about the behavior of the organization (Baum & Shipilov, 2006). These core features are difficult to change for both larger and older organizations (Baum & Shipilov, 2006).

Structural inertia both strengthens consistent organization performance and constrains organizational change due to investment in infrastructure and personnel, constraints on information received by decision makers, and internal politics over resource control and allocation (Hannan & Freeman, 1989). Structural inertia creates clear lines of responsibility and accountability through the development of processes that can be optimized to create specific outcomes (Baum & Shipilov, 2006). This optimization contributes to a level of standardization, which provides an expected level of quality and reliability that contributes to an organization's reputation (Baum, 2001). Institutionalized relationships may also expand access to resources to facilitate growth (Hannan & Freeman, 1989). Structural inertia aids older organizations through the development of

systems and resources to the point that processes become rigid and unchanging, despite changing circumstances, and may no longer prove beneficial.

Disadvantages for older organizations. Change is difficult. As an organization ages, difficulties adapting to a changing environment can become a disadvantage for older organizations. The *liability of aging* describes an organization's declining ability to adapt to new circumstances (Aldrich & Auster, 1986; Barron et al., 1994; Baum, 1989; Baum & Shipilov, 2006; Ranger-Moore, 1997). Examining aging more closely, the liability of aging can be divided into the *liability of senescence*, which echoes the concept of structural inertia in an organization's internal resistance to change, and the *liability of obsolescence*, in which an organization no longer meets contemporary social needs and does not sufficiently adapt to meet new needs (Baum, 1989; Baum & Shipilov, 2006). The liability of senescence posits that internal frictions and inefficiencies accumulate to the point that established processes become ossified, so the organization is no longer nimble enough to respond to changes in the environment (Baum, 1989; Baum & Shipilov, 2006). Alternatively, the liability of obsolescence posits that organizations may optimize processes to produce outcomes that are no longer relevant (Baum, 1989; Baum & Shipilov, 2006). For instance, if the *March of Dimes* continued to provide services related to polio after the Salk and Sabin vaccines began the near global elimination of polio, the charity would have become obsolete, even if the charity provided those services extremely well. One reason that very old organizations are rare is the changes needed to adjust the mission and operations to meet the needs of a changing social environment become too difficult to navigate with established systems within the organization.

Age contributes to the fit of an organization with its environment. All of the charities ranked in the Philanthropy 400 are large, enabling the isolation of age from size. Regardless of age, large organizations must develop processes characterized by structural inertia, but overall, younger organizations may have advantages over older organizations, resulting in two competing hypotheses:

H1a: Younger charities rise within the rankings due to their fit with the contemporary environment, while older charities fall due to the liabilities of aging.

H1b: Older charities remain at the top of the rankings due to their institutionalized processes, while younger charities are unable to displace them due to the liabilities of newness.

These hypotheses make competing claims about relative age and position and movement in the rankings. The null hypothesis for hypotheses H1a and H1b is: There is no relationship between age and changing positions in the rankings. Table 3.1 compares the literature supporting the competing hypotheses, H1a and H1b. Analyses will add clarity about which theoretical claims hold more weight with the Philanthropy 400 charities.

Table 3.1. Comparing Theoretical Support for Hypotheses H1a and H1b

Literature supporting hypothesis H1a, for the net advantage of younger charities	Literature supporting hypothesis H1b, for the net advantage of older charities
Structural inertia: Organizations reflect their founding environment, with structure and organizational technologies that are difficult to change (Stinchcombe, 1965).	*Structural inertia:* Core features established at an organization's founding are maintained by the organization (Stinchcombe, 1965).
More recently founded organizations fit better with the contemporary environment due to structural incorporation of more current technologies (Stinchcombe, 1965).	Investment in infrastructure and personnel, information flows, and internal politics can strengthen consistent organizational performance (Hannan & Freeman, 1989).
Exchange of resources between incumbents and new entrants, including technology, personnel, and material resources, builds structure (Wiewel & Hunter, 1985).	Institutionalized relationships expand access to resources to facilitate an organization's growth (Hannan & Freeman, 1989).
Legitimation: Incumbents facilitate the entry and survival of new organizations within a population (Hannan, et al., 2007).	Core features of an organization change slowly, help define an organization, and aid in its survival (Hannan & Freeman, 1987).
Incumbents define the field of operation, provide credibility, and exchange resources (Wiewel & Hunter, 1985).	Core features develop specific expectations about the behavior of an organization (Baum & Shipilov, 2006).
Incumbents provide a familiar reference for new, similar organizations (Baum & Shipilov, 2006).	Quality standardization and reliability develop an organization's reputation (Baum, 2001).
Incumbents limited in geographic reach facilitate new entrants in new geographies (Carroll & Hannan, 2000).	Processes are optimized through clear responsibility and accountability (Baum & Shipilov, 2006).
Liability of aging: Aging organizations become less able to adapt to new circumstances (Aldrich & Auster, 1986; Barron et al., 1994; Baum, 1989; Baum &	*Liability of newness:* Relatively unknown organizations lack resources, established procedures, successful results, and may demonstrate inadequate performance

Shipilov, 2006; Ranger-Moore, 1997).	(Stinchcombe, 1965).
Investment in infrastructure and personnel, information flows, and internal politics can constrain organizational performance if these become outdated or dysfunctional (Hannan & Freeman, 1989).	
Liability of senescence: Internal resistance to change to the point that internal frictions and inefficiencies accumulate, preventing nimble response to change (Baum, 1989; Baum & Shipilov, 2006).	
Liability of obsolescence: An organization no longer meets contemporary social needs and does not adapt to meet new needs.	
Processes are optimized to produce outcomes that are no longer relevant. (Baum, 1989; Baum & Shipilov, 2006).	

Dependence on Different Sources of Revenue

In addition to size and age as important variables, dependence on different sources of revenue influences the amount of private support received. The trend of dependence on private support can change direction for the population of charities as a whole, as shown in Figure 2.1 in the preceding chapter. The structural inertia created as an organization matures influences dependence on revenue sources, and this addresses the second research question: *Do changes in dependence on private support as a percentage of total income affect persistence within the Philanthropy 400?*

Structural inertia. Structural inertia has positive and negative aspects, which are often related to an organization's size and age (Hannan & Freeman, 1984). While

structural inertia helps organizations survive and grow with the development of efficient processes, rigidity may slow organizational change and create dependence on specific resources and their providers. Resource rigidity posits that, within the organization, more resources are allocated to satisfy the desires of the largest stakeholders supplying resources to the organization (Christensen & Bower, 1996). Similar to resource rigidity, but looking outside the organization, *resource dependence* theory states that organizations become dependent on certain resource providers and build relationships to maintain access to those resources (Pfeffer & Salancik, 1978). Resource rigidity allows a connection between external resource dependence and internal resource allocations that stabilize an organization's structure. In the case of charities that receive large amounts of private support, more resources would be directed toward soliciting and satisfying donors in order to generate even larger amounts of private support.

Difficulty of change. Change is difficult and dangerous, especially for older and larger organizations (Baum & Shipilov, 2006). Structural inertia may negatively affect older organizations that tend to follow their existing trajectory rather than change quickly enough to adapt to social change (Hannan & Freeman, 1989). Even for organizations that do change, *hazards of change* include changes not being made, an incorrect change for the circumstances, or changes ineffectively implemented (Baum, 2001; Baum & Shipilov, 2006). Empirical studies of structural changes within organizations reveal equivalent numbers of successes as failures (Carroll & Hannan, 2000). Changes of established routines are not always identified as needed, resisted in their implementation, and successfully implemented only half the time.

Management influence on change. Structural inertia theory considers organizations to be relatively inert, not always adapting to a changing environment (Baum & Shipilov, 2006). As a counterbalance to the external forces of resource dependence and internal forces of resource rigidity, individual organizations may be managed to access different revenue sources. Dependence on the different revenue sources summarized in the previous chapter remains incompletely investigated. Many advocates of revenue diversification focus on ensuring charities have sufficient resources for survival, less of a pressing issue for large charities than for small charities. Some managers may believe that revenue from a particular source is not yet maximized or that other revenue sources can be expanded with lower cost, risk, and/or volatility. Managers may also be wary of the creeping external control of an organization indicated by resource dependence and the internal ossification indicated by resource rigidity, presenting an incentive to broaden revenue sources.

Resource dependence and resource rigidity theories indicate that organizations will increasingly depend on proven revenue sources and even change their structure and operations to pursue those revenue sources, resulting in two alternative hypotheses:

H2a: The more years charities are ranked in the Philanthropy 400, the more they become dependent on private support as a percentage of total income due to resource rigidity and resource dependence.

H2b: The fewer years charities are ranked in the Philanthropy 400, the less they become dependent on private support as a percentage of total income due to factors including strategic management choices to diversify revenues and lack of capacity for generating private support.

These hypotheses test the connection between the amount of time a charity receives a high level of private support and their changing dependence on private support. The null hypothesis for hypotheses H2a and H2b is: There is no relationship between the amount of time a charity is in the rankings and changing dependence on private support. Table 3.2 compares the literature supporting hypotheses H2a and H2b.

Table 3.2. Comparing Theoretical Support for Hypotheses H2a and H2b

Literature supporting Hypothesis H2a, for persistence in rankings increasing dependence on private support	Literature supporting hypothesis H2b, for few years in rankings decreasing dependence on private support
Resource rigidity: More resources are allocated to satisfy the largest stakeholders supplying resources (Christensen & Bower, 1996). *Resource dependence:* Organizations become dependent on certain external resource providers and build relationships to maintain access to those resources (Pfeffer & Salancik, 1978).	*Structural inertia:* Organizations are considered relatively inert, but management may influence adaptations to a changing environment (Baum & Shipilov, 2006).

All charities ranked in the Philanthropy 400 generate private support at a relatively high level and presumably pursue this revenue source very seriously. While this change in dependence on private support may seem contradictory to the previous hypothesis, where younger charities grow more quickly than older charities, younger organizations may outgrow older organizations as these older organizations become more dependent on private support, since dependence on private support says nothing about the gross amount of private support a charity receives.

Concentration of Financial Resources

Concentration of financial resources is expected at some point in all populations (Barron, 1999). Concentration can be influenced by the number of organizations in a population and the access to financial resources. As defined previously, *concentration of financial resources* is a disproportionate share of financial resources controlled by a relatively small number of charities. With the changing amount of private support received by the charities ranked in the Philanthropy 400, evolving number of charities in the overall population, and the fluctuating amounts of total U.S. giving, systematic changes in concentration addresses the question: *Did the share of private support received by the Philanthropy 400 increase relative to total U.S. giving?*

Population density and mass dependence. In organizational ecology, *population density* measures crowding within a population by counting the number of organizations, and *mass dependence* accounts for the population's distribution of financial resources (Hannan & Freeman, 1989). The trend in the changing number of organizations in a population often follows a similar pattern across industries (Barron, 1999; Carroll & Hannan, 2000). When the rate of growth in the number of organizations slows to a point of zero net growth, the population density reaches an equilibrium, at which time the entry of new organizations balances the exit of incumbents. At the point of equilibrium, the net change in the number of organizations remains stable and may cycle around a central point (Barron, 1999). While births and deaths have been studied among charities (Anderson et al., 2008; Bielefeld, 1994; Bowen et al., 1994; Brown et al., 2013; Chambré & Fatt, 2002; Dougherty et al., 2008; Hager, 1999, 2001; Hager et al., 1996; Hager et al., 1997; Helmig et al., 2013; Maier, 2010; Twombly, 2003), growth of financial resources

controlled by organizations through mass dependence is far less studied (Baum, 2001). However, mass dependence has been used to analyze a functionally heterogeneous national population of large Canadian for-profit companies (Baum & Korn, 1994; Korn & Baum, 1994). Mass dependence assesses the concentration of financial resources controlled by large organizations, including ones substantially larger than other population members (Baum & Shipilov, 2006). This theory posits that concentration of financial resources increases among larger organizations based on their superior ability to compete, both directly and diffusely (Barnett & Amburgey, 1990).

Population density and mass dependence theories help explain changes within populations of organizations in terms of growth, concentration, and competition. Population density theory posits that the period of equilibrium in number of organizations favors an increasing concentration of financial resources among the largest organizations in the population (Barron, 1999; Carroll & Hannan, 2000). This concentration of financial resources happens because the largest organizations solidify their hold over the heart of the market and relegate smaller competitors to specialized niches on the fringes of the market.

Mass dependence accounts for the competitive effects of different size organizations within a population, generally favoring the competitive advantages of the largest organizations, including access to resources, availability of political power, and brand recognition (Barnett & Amburgey, 1990; Baum & Shipilov, 2006). Larger organizations have competitive advantages over smaller organizations due to their development of internal resources, superior market power, and economies of scale and scope (Barnett & Amburgey, 1990). Diffuse competition, in which competitors are

generally unaware of who exactly they are competing against, is more likely among charities soliciting private support, because solicitation generally does not involve the competitive or predatory pricing tactics more common in direct competition (Barnett & Amburgey, 1990).

Population density and mass dependence affect the entire population of charities, since charities theoretically all compete for financial resources, especially the commonly accessed private support. As a population nears zero net growth in number of organizations, financial resources concentrate. This concentration favors the competitive advantages of larger organizations, which outcompete smaller organizations for financial resources, like private support.

Examined in isolation, size increases of large organizations in a population can have ambiguous interpretations. Growth of large organizations could reflect the organic growth within a population, in which most organizations increase in size simultaneously (Carroll & Hannan, 2000). Growth of large organizations could also indicate the maturation of a population and nearing zero net growth in the number of organizations for the overall population, at which point large organizations typically become larger (Carroll & Hannan, 2000).

In recent decades, growth slowed nationally for the total number of charities and total U.S. giving. The total number of charities recognized as 501(c)(3)s slowed in net growth through 2008 (Lecy & Van Holm, 2013). Slowing net growth in number of charities through 2008 occurred before the Great Recession or the purge of inactive charities from the IRS BMF listings starting in 2010 as required by the Pension Protection Act. Similarly, total giving slowed its growth in the most recent decade. Using

the inflation-adjusted total U.S. giving for ranking year 2006 of $354 billion and the comparable 2015 figure of $358 billion, growth in giving during the most recent decade was 1%, far less than the 70% growth in total giving during the preceding decade for ranking years 1996 to 2005, when giving increased from $192 billion to $326 billion (Giving USA Foundation, 2015). Each of these two decades had ups and downs in giving, with each decade experiencing a significant economic recession.

When a specific financial resource becomes scarcer, competition heightens for this resource and larger organizations have competitive advantages for growing their share of this resource (Barnett & Amburgey, 1990). Larger charities also have advantages in diffuse competition, and this competition reduces the viability of other charities (Hannan & Freeman, 1989). While the concentration of financial resources does not strictly depend on slowing growth in the number of organizations in a population or the changing availability of the financial resources, changes in growth accentuate the process of concentration. An increase in private support received by the Philanthropy 400, the slowing growth in the number of charities in the broad population of charities, and slowing growth in total U.S. giving led to this hypothesis:

H3: Charities ranked in the Philanthropy 400 should increase their share of total U.S. giving with the slowing growth in number of charities and slowing growth in total U.S. giving.

This hypothesis examines changes in concentration of private support and assesses if the adage *the rich get richer* holds true among charities. The null hypothesis for hypothesis 3 is the share of total U.S. giving received by the charities ranked in the Philanthropy 400 is not affected by relative changes in the number of charities or total

U.S. giving. The result of the test of this hypothesis has profound implications. If smaller and newer charities have heavy dependence on private support, the concentration of private support among large charities given a slowdown in total U.S. giving could limit access to private support essential to many smaller and newer charities. Concentration may also allow large charities to grow to a scale needed to adequately address social problems. Table 3.3 compares the literature supporting hypothesis H3 and its null hypothesis.

Table 3.3. Comparing Theoretical Support for Hypothesis H3 and its Null Hypothesis

Literature supporting hypothesis H3, for increasing share of total U.S. giving received by the Philanthropy 400	Literature supporting the null of hypothesis H3, for no change in share of total U.S. giving received by the Philanthropy 400
Population density: Crowding in a population is measured by counting the number of organizations (Hannan & Freeman, 1989).	Concentration of financial resources occurs when all organizations in a population increase in size simultaneously (Carroll & Hannan, 2000).
Concentration of financial resources occurs with population maturation and its cycling around a level of zero net growth in number of organizations (Barron, 1999; Carroll & Hannan, 2000).	
The broader population of charities slowed in net growth in number of charities through 2008 (Lecy & Van Holm, 2013).	

Mass dependence: Concentration of financial resources increases among larger organizations based on their superior ability to compete, both directly and diffusely (Barnett & Amburgey, 1990).	Larger organizations have competitive advantages over smaller organizations, including access to resources, availability of political power, brand recognition, and economies of scale and scope (Barnett & Amburgey, 1990; Baum & Shipilov, 2006)

Conclusion

Organizational ecology theory provides a framework to study growth and change among charities. The hypotheses introduced in this chapter explore changes among charities ranked in the Philanthropy 400, specifically considering the effect of age on persistence in the rankings and examining dependence on private support as a percentage of total income. The examination of these changes, along with the observation of slowing growth in the number of charities and total U.S. giving, led to the third hypothesis, examining the concentration of private support received by the charities ranked in the Philanthropy 400. This final hypothesis has implications about the availability of financial resources for both large and small charities. The following chapter discusses both the preparation of the Philanthropy 400 data and methods used to test the hypotheses.

Chapter 4: Data and Methods

This chapter outlines data preparation and methods of analysis. Appendix 1 provides further details about the preparation of the Philanthropy 400 data and Appendix 2 lists all of the charities ever ranked in the Philanthropy 400. The methods of analysis are outlined in this chapter for each of the hypotheses examining persistence and change within the Philanthropy 400. The analyses use organizational ecology as a theoretical framework and mostly use aggregated statistics for the ranked charities. The research questions and hypotheses test specific aspects of organizational ecology theory using charities ranked in the Philanthropy 400, extending the analysis for the final question to understand the concentration of private support among the Philanthropy 400 in comparison to total U.S. giving.

When comparing a functionally heterogeneous population of charities, the number of charities and financial resources are the only common metrics for which data are widely available. Most charities, at least in concept, compete diffusely for private support to subsidize execution of their missions. Broadly used performance metrics have been developed for some fields of charities, such as the ratings and rankings of colleges and universities, but many fields do not have easily compared metrics. Comparing performance or output metrics across fields would be meaningless, because of the incomparability of the benefits of seemingly related activities, such as composing a symphony, performing a symphony, broadcasting a symphony performance, and providing musical instruction. Financial metrics have the greatest comparability and data availability among a heterogeneous population of charities.

The charities ranked in the Philanthropy 400 receive the most private support and many also generate among the most total income among charities. However, numerous charities generate among the highest level of total income without receiving the level of private support needed to be ranked in the Philanthropy 400. For example, charities generating billions of dollars of total income from program service revenue with a relatively small amount of private support include health care providers *Banner Health, Delta Dental of California, Kaiser Health, IHC Health Services,* and *Ochsner Health*, as well as financial services provider *Thrivent Financial for Lutherans*. Some charities periodically receive billions of dollars in government grants, such as consulting firms *Battelle Memorial Institute* and *Mitre Corporation*.

Philanthropy 400 Data Preparation Overview

The Philanthropy 400 rankings, as published by *The Chronicle of Philanthropy,* are unsuitable for analysis without first managing limitations in the individual rankings. Three main steps ensured data for each charity followed consistently applied rules. First, the construction of name-matched longitudinal records for each ranked charity required the recognition of name changes, mergers, and consolidation of financial reports for charities with numerous affiliates. Second, calculating an age for each charity required identifying a founding year, obtained from sources outside the Philanthropy 400. Third, since the published rankings often included outdated data to meet publication deadlines, some data required shifting between years to align financial reports by fiscal year end. The standard accounting period used for all rankings includes fiscal years ending April 1 of the previous year to March 31 of the publication year, such that the 2000 ranking

included financial data representing fiscal years ending April 1, 1999 through March 31, 2000 (Lipman, Larose, & Voelz, 2000).

Consolidated financial reporting (or *consolidated financials*) for entire organizational networks of affiliates has theoretical importance, with new affiliates included in these consolidated financials representing a very different type of growth than the establishment of entirely new organizations. Three factors facilitate establishment and survival of an affiliate of an existing organization compared to a completely new organization, including name recognition, established procedures, and availability of financial and other operating resources (Carroll & Hannan, 2000).

While most charities provided consolidated financials for the entire study period, consolidating separately ranked individual affiliates of charities eliminated numerous individual charities from the study population in favor of the entirety of their umbrella charity. A single record including consolidated financials received from the *United Way*, the charity most significantly affected by consolidated reporting, replaced 56 separately ranked affiliates from the published rankings. Mergers affected 10 individually ranked charities, and the combinations produced by these mergers resulted in the retention of 3 charities for analysis. Two charity networks did not provide consolidated financial information to *The Chronicle.* Due to unavailability of consolidated financials, 23 individual *Jewish Federations* remained in the data for analysis along with 16 individual food banks affiliated with *Feeding America* (previously *America's Second Harvest*), in addition to the national headquarters. Since the nature of any internal transfer payments was unknown for these charities, concerns arose that simply summing existing data may be misleading. Only partially consolidated financials could have been included for these

affiliated networks, so the individual affiliates were retained in the data for analysis. These 39 affiliates represent 3.5% of the charities in the study population.

Shifting data between years to align fiscal year ends and the combining records by consolidating affiliates and merged charities left fewer than 400 charities in all years with private support above the 400th position from the published rankings. Publication deadlines for the rankings influenced both the use of outdated data in the published rankings and omission of some charities due to lack of data availability.

Because some charities were omitted from the published rankings, an effort was made to find data from other sources to provide a consistent number of 400 charities in each ranking. A number of ranked charities varying from 400 for each year would have lowered comparability between years. Charities reporting private support above the 400th position from the published rankings were identified from several sources: charities mentioned as being omitted in the methods section published with the Philanthropy 400 rankings, charities ranked in the *Nonprofit Times* NPT Top 100, charities identified as being founded since 1975 and generating more than $50 million in annual total income (Kim & Bradach, 2012), Form 990 data for charities included in the Statistics of Income files archived by the National Center for Charity Statistics (NCCS), and charities announcing receipt of a large gift in the Million Dollar List, which is a list of announced gifts above $1 million.[10] These systematic searches added 310 charities omitted from the published rankings to the study population.

After the addition of the 310 charities to the data generated by the published rankings, some charities included in the published rankings received less private support

[10] The *Nonprofit Times* NPT Top 100 is an annual ranking of the charities generating the most total income. The Million Dollar List is maintained by the Indiana University Lilly Family School of Philanthropy and can be accessed at http://www.milliondollarlist.org/, visited for this dissertation on February 9, 2016.

than the 400th position in all years. Only charities with private support equal to or greater than the 400th ranked charity in at least one year's ranking remained in the adjusted data used for analysis. Beyond the individual affiliates of the *United Way* that were omitted through consolidated reporting, dozens of charities included in the published rankings never rose above 400th position in the updated rankings. These charities represented many fields of operation, and some of these charities included *American University, Bucknell University, Children's Hospital of Oakland, City Year, Fisher House Foundation, Food Bank for NYC (Food for Survival), Grand Rapids Foundation, Livestrong, Museum of Contemporary Art - San Diego, Southern Poverty Law Center, The Bible League,* and *WNYC Radio.*

For all charities that equaled or exceeded the published 400th position in private support in any year, data were sought for all 25 years of the study period. Four adjustments were made to provide the most consistent data possible for all charities in all years. The first adjustment involved adding missing data from other financial reports, such as Forms 990, audited financial statements, or annual reports. The second adjustment added missing data by calculating averages of data between existing reports or extending trendlines from existing data. For the third adjustment, reports submitted that involved a change in the charity's fiscal year end were pro-rated to 12 months when the report reflected a time period of less than 10 months or greater than 14 months. The fourth adjustment re-ranked each year according to the updated private support and assigned new ranking positions to each charity. The second and third adjustments resulted in calculating 649 observations, 2% of all potential observations over the 25 years.

All data available for the 1,101 ranked charities included in the rankings over 25 years provided 24,864 observations out of a potential 27,525 observations over the study period (90.3%). The 2,669 instances of omitted data usually resulted from the charity being founded after 1991 or going defunct. Further details about how the Philanthropy 400 data was prepared for analysis are in Appendix 1 and lists of all ranked charities are in Appendix 2.

In the results, unless otherwise noted, aggregated figures are presented only for the charities ranked in a specific year. The aggregated figures include only the charities in the top 400 positions that year, and not all 1,101 charities in the study population.

Persistence in the Rankings

Persistence in the rankings demonstrates long term receipt of private support at the highest levels. The persistence observed at the 20th anniversary of the rankings (Lenkowsky, 2010) did not appear to change much at the 25th anniversary. Persistence suggests a significant investment in fundraising that consistently generated high levels of private support. Persistence in the rankings is theoretically consistent with the organizational ecology observation that large organizations often increase in size relative to their peers. Observing persistence in the rankings is likely related to measurable attributes, such as age, position within the rankings, and dependence on private support as a percentage of total income. These attributes serve as key variables for testing the hypotheses and answering the research questions.

Persistence is measured by the number of years a charity received private support greater than or equal to the 400th position in the updated rankings. For some analyses, the study population was divided into three persistence types according to the number of

years ranked. The distribution of number of years ranked is heavily weighted toward the extreme years of only one year or all 25 years ranked. Because six charities (30% of the 20 charities ranked for 24 years) would have been ranked all 25 years, except for the fact that they changed their fiscal year end, the two years at each extreme of the distribution were combined into persistence types, leaving those ranked in the middle 21 years combined into the third type. This division by persistence type resulted in similarly sized subpopulations for the *Onetimers* and *Betweeners*, which each had about two and one-half times the number of P*ersisters*. *Onetimers* were ranked either one or two years (n = 437). *Betweeners* were ranked from three to 23 years (n = 475). *Persisters* were ranked either 24 or 25 years (n = 189). While the group of *Persisters* is numerically smaller than the other two groups, the same charities represent nearly half of the 400 charities in every ranking. Total ranking appearances over the study period by persistence type was more lopsided using these divisions, with *Onetimers* collectively appearing in the rankings 549 times, *Betweeners* appearing 4,746 times, and *Persisters* appearing 4,705 times.

Subdivision of the Betweeners. The broad number of years ranked for the Betweeners suggested a subdivision of this persistence type. Subdivision was based on the pattern of inclusion in the rankings into *Exiters, Variers,* and *New Persisters.* Exiters include charities consistently in the rankings and then absent for at least the last three years, plus charities that became defunct or ceased providing consolidated financial information. Variers consist of charities regularly entering, exiting, and then reentering the rankings with single or consecutive ranked years, with intervening years prior to reentry. New Persisters include charities ranked in at least the three most recent years with ranking positions suggesting they will remain in the top 400. For New Persisters, the

years they were not ranked, they typically received sufficient private support to be above the 450th position of all charities in the study population. Exiters include 117 charities (25% of the 475 Betweeners), Variers include 145 charities (31%), and New Persisters include 213 charities (45%). Results will be presented by the three persistence types, plus, where appropriate, the three Betweeners subdivisions.

Onetimers and extraordinary years of private support. Onetimers merit more detailed discussion, because they often reached the rankings by receiving significantly greater private support in ranked years than they received in other years. These extraordinary years of private support stemmed from major initiatives and jackpot gifts, although operational factors affected some Onetimers.

Major initiatives that launch Onetimers into the rankings come in several forms. One of the most prevalent forms is a capital campaign conducted by existing charities to fund a new building or significant program. Special events are major initiatives, such as the *Shanghai Expo 2010*, at the Shanghai World's Fair. Large disasters prompt major initiatives, such as the several charities arising from the 9/11 attacks and the *Bush-Clinton Katrina Fund.* Government action can promote major initiatives, such as the *Road Home Corporation,* founded to encourage former residents to return to Louisiana after fleeing the aftermath of Hurricane Katrina. Major initiatives also include the sale of nonprofit assets that create a new entity, such as the *Healthcare Foundation of Greater Kansas City,* created through the sale of nonprofit hospitals to the for-profit HCA.

In addition to major initiatives, charities may receive jackpot gifts, a single or small number of exceptionally large gifts. Among the notable jackpot gifts was the $134 million received by the *Poetry Foundation* in 2002 from Ruth Lilly. Jackpot gifts may

come from a bequest, such as the bequest received by the *Texas Baptist Children's Home and Family Services,* a gift large enough to prompt a corporate restructuring to protect the bequest from liability claims. Bequests may come without prior knowledge of the charity, such as the $125 million bequest to the *Lighthouse for the Blind and Visually Impaired.* Jackpot gifts may also be in-kind gifts, such as the art received by the *Georgia O'Keeffe Museum* or the land received by the *Peconic Land Trust.* Foundation-derived jackpot gifts can launch Onetimers into the rankings, such as a gift to the *International AIDS Vaccine Initiative* from the Bill & Melinda Gates Foundation. Sometimes, jackpot gifts result in an existing charity changing its name in recognition of a donor, such as the *Oshman Family Jewish Community Center, Rady Children's Hospital,* and *Segerstrom Center for the Arts*. Donor recognition through naming also accompanies jackpot gifts made at a charity's founding, such as the *Nackey S. Loeb School of Communications*.

Countering the major initiatives and jackpot gifts lifting charities into the rankings, operational factors also influenced Onetimers entering the rankings. Four charities grew their private support after making the rankings once between 1991 and 1995, but growth in private support was not fast enough to remain among the top 400, including *Mission Aviation Fellowship, American Associates of Ben-Gurion University of the Negev, The New School,* and *BrightFocus Foundation*. Onetimers exited the rankings for ceasing to provide financial information to *The Chronicle*, such as happened with several religious charities, including the *United Church of Christ*. In another case, a drop in private support resulted from a major scandal with *Jimmy Swaggart Ministries.*

Median Age

Since the Philanthropy 400 has never been analyzed as a population, descriptive analyses examine characteristics of this population. A primary characteristic quantified is median age. Persistence in the rankings affects the median age of charities in the rankings, since charities persisting in the rankings age by one year annually. The persistence of nearly half the charities in every ranking indicates an aging population, something that will be measured using the median age of ranked charities. Use of median age, rather than average age, took into consideration the extremes of founding years for ranked charities, exemplified by *Harvard University*, first ranked at over 350 years old, and *Georgia O'Keefe Museum*, first ranked in its founding year, because these extremes may unduly affect the calculation of an average age. Turnover in the rankings indicates that newly ranked charities and the charities they replace may differ in age, the number of years they persist in the rankings, and the relative amount of private support received. These descriptive analyses will contribute to the testing of the hypotheses.

Testing Hypotheses

Three research questions led to three groups of hypotheses to test. The first two questions and groups of hypotheses examine the characteristics of charities ranked in the Philanthropy 400. The third hypothesis compares the private support received by the Philanthropy 400 to total U.S. giving.

Age characteristics. Since all charities ranked in the Philanthropy 400 are large, this similarity in size sharpens a focus on the importance of age in relation to growth. Age is linked to persistence, since existing charities increase by one year in age annually. However, how do charities perform within the rankings depending on their age?

Organizational ecology theory indicates that younger organizations are better suited to their current environment than older organizations, while older charities have developed procedures to standardize operations. Both younger and older charities experience liabilities based on organizational age. Movement of charities within the Philanthropy 400, including charities entering and leaving the rankings, determines the importance of age in the growth and distribution of the finances of charities relative to one another, testing two competing hypotheses:

H1a: Younger charities rise within the rankings due to their fit with the contemporary environment, while older charities fall due to the liabilities of aging.

H1b: Older charities remain at the top of the rankings due to their institutionalized processes, while younger charities are unable to displace them due to the liabilities of newness.

For the tests of hypotheses H1a and H1b, age will be measured for ranked charities and subdivisions of the different persistence types. Since new charities must first enter the rankings before they can rise within them, the number and age of new entrants will be compared to the age of charities exiting the rankings. Similarly, the number of charities in each persistence type influences the aggregate private support received, necessitating analysis of changing number of charities by persistence type. The relative position in the rankings also reflects the amount of private support received, and will be compared to ranking position changes by persistence type.

The relative amount of private support received by a charity over a span of years determines if a charity moves up or down in the rankings. The changing amount of

private support received by charities in different persistence types will be measured in several ways. A Herfindahl-Hirschman Index (HHI) of concentration will calculate the share of private support received by ranked charities according to three age groups (Rhoades, 1993). The calculation of the HHI will be described later in this chapter in the discussion of the calculations used to test hypothesis H3, regarding the share of total U.S. giving received by the Philanthropy 400. This calculation will be supplemented by trends of aggregate private support subdivided by persistence type and the percentage of private support received by ranked charities based on persistence type.

Dependence on private support. As discussed in Chapter 2, especially regarding Figure 2.1, charities as a population over a period of decades reversed the trend of dependence on private support, declining between 1982 and 1993 and then rising through 2013. During the first of these decades, charities in the aggregate decreased dependence on private support; then, during the most recent two decades, charities in the aggregate modestly increased dependence on private support as a percentage of total income, even as total income rose on an inflation-adjusted basis. A reflection of these trends should be evident among the Philanthropy 400, because these charities receive a disproportionate share of private support. Resource dependence theory predicts external forces create dependence on certain resources, and resource rigidity theory predicts that organizations internally become structurally dependent on specific sources of income. If increasing resource rigidity theory proves true, and resource dependence becomes embedded in the structure of the organization, then charities should become increasingly dependent on critical revenue streams, with a pair of alternative hypotheses to test:

H2a: The more years charities are ranked in the Philanthropy 400, the more they become dependent on private support as a percentage of total income due to resource rigidity and resource dependence.

H2b: The fewer years charities are ranked in the Philanthropy 400, the less they become dependent on private support as a percentage of total income due to factors including strategic management choices to diversify revenues and lack of capacity for generating private support.

For the tests of hypotheses H2a and H2b, the changing dependence on private support will be measured in the aggregate for ranked charities and separately for changes for individual charities. Trends will be examined for private support divided by total income, the measure of dependence on private support. These figures will be calculated by summing the private support received by all ranked charities and dividing this sum by the sum of their reported total income, calculations then replicated for each persistence type. Aggregate figures will examine all ranked charities and subdivisions based on persistence type. The breadth of changing dependence on private support will be assessed by examining trends for annual deciles of dependence on private support for the aggregated figures. At the individual charity level, directional and magnitude changes in dependence on private support will be tabulated by persistence type.

Concentration of private support. At a point of zero net growth in number of organizations within the overall population, increased concentration of financial resources among the largest charities is expected (Barron, 1999; Carroll & Hannan, 2000). With the observed slowing growth in number of charities through 2008 (Lecy & Van Holm, 2013), the number of charities in the overall population may be approaching a

point of zero net growth. Similarly, growth slowed in total U.S. giving in the most recent decade (Giving USA Foundation, 2015). One hypothesis is to be tested:

H3: Charities ranked in the Philanthropy 400 should increase their share of total U.S. giving with the slowing growth in number of charities and slowing growth in total U.S. giving.

For the test of hypothesis H3, the aggregate amount of private support received by the charities ranked in the Philanthropy 400 each year will be divided by the corresponding figures for total U.S. giving published by Giving USA (Giving USA Foundation, 2015). The changes in these percentages will be assessed for a trend over the study period. A positive trend indicates increasing concentration of private support received by charities ranked in the Philanthropy 400.

The financial figures presented in the Philanthropy 400 and Giving USA do not precisely correspond in the time of reporting, but are comparable. Since charities can elect to end their fiscal year in any month, a discrepancy will always exist between data derived from charities and the corresponding figures derived from the calendar-year based figures used from individual tax filing, the primary data source for Giving USA. Among the Philanthropy 400, nearly half the ranked charities consistently ended their fiscal years in June, one quarter consistently ended their fiscal years in December, and one tenth consistently ended their fiscal years in September. The remaining 15% of charities ended their fiscal years in the other nine months. The Giving USA figures are largely based on a calendar year. However, since the distribution of fiscal year ends within the Philanthropy 400 remained consistent throughout the study period, and the same method is used every year, year-to-year comparisons are appropriate.

Fiscal year ends for data used in the Philanthropy 400 were offset from a calendar year by an inconsequential amount. The rankings use a standard reporting period of fiscal years ending from April 1 of the previous year to March 31 of the publication year. However, only 3% of ranked charities, accounting for just over 2% of private support, ended their fiscal year between January 1 and March 31. While these small amounts should not affect calculations, using the same method consistently over the study period maximizes the comparability of the data between years.

Further testing concentration, the HHI for the share of private support received by the Philanthropy 400 will be calculated for each ranking year (Rhoades, 1993). The HHI measures the relative concentration and the competition present in a population. The HHI calculates the percentage market share of the financial resources generated by individual members of a population in comparison to the financial resources generated by the population overall. A more concentrated market is less competitive, and vice versa. The HHI omits a small percentage of international giving, both received by U.S. charities and given directly to international charities without a U.S. presence. However, these quantities are not expected to substantially impact results. The sum of the squares of the market shares indicates the financial competitiveness of the population, ranging from 0 to 1.0. HHIs closer to 1.0 indicate a monopolistic market and HHIs closer to 0 are increasingly competitive. Table 4.1 lists the HHI values and the degrees of concentration or competitiveness they indicate (U.S. Department of Justice, 2010). Changes in the HHI between years from a higher to a lower number indicate decreasing concentration and increasing competitiveness within a population.

Table 4.1. Herfindahl-Hirschman Index Values and Degrees of Competitiveness

HHI Value	Indication of Competitiveness
> 0.25	High Concentration
Between 0.15 and 0.25	Moderate Concentration
< 0.15	Unconcentrated
< 0.01	Highly competitive

Financial resources are often distributed unequally, with certain members of a population controlling more than others. Further measurement of concentration within the Philanthropy 400 will specifically examine the differences in private support received among charities. Lorenz curves will be calculated along with Gini coefficients to assess changes in the distribution of private support among the charities ranked in the Philanthropy 400 over the study period. Both the Lorenz curves and Gini coefficients are statistical measures of the distribution of financial resources within a population (Gastwirth, 1972; Gini, 1997). Lorenz curves graph the proportion of a financial resource controlled by a proportion of the population. A line of equal distribution indicates financial resources are equally controlled by all members of the population. Lorenz curves further from the line of equality indicate greater concentration of financial resources. Gini coefficients measure the area under the Lorenz curve. A greater value for the Gini coefficient represents a greater difference in the distribution of financial resources within the study population.

Conclusion

This chapter outlined the methods of data preparation and analysis. Appendix 1 provides additional details on preparing the data for analysis. Appendix 2 lists all the charities ever ranked in the Philanthropy 400. Analyses begin with descriptive statistics for the persistence of charities in the rankings, median charity ages, and private support

related to persistence in the rankings. The results of the further analyses are presented in the following chapter, followed by a chapter that discusses the results and conclusions.

Chapter 5: Results: Persistence and Change in the Philanthropy 400

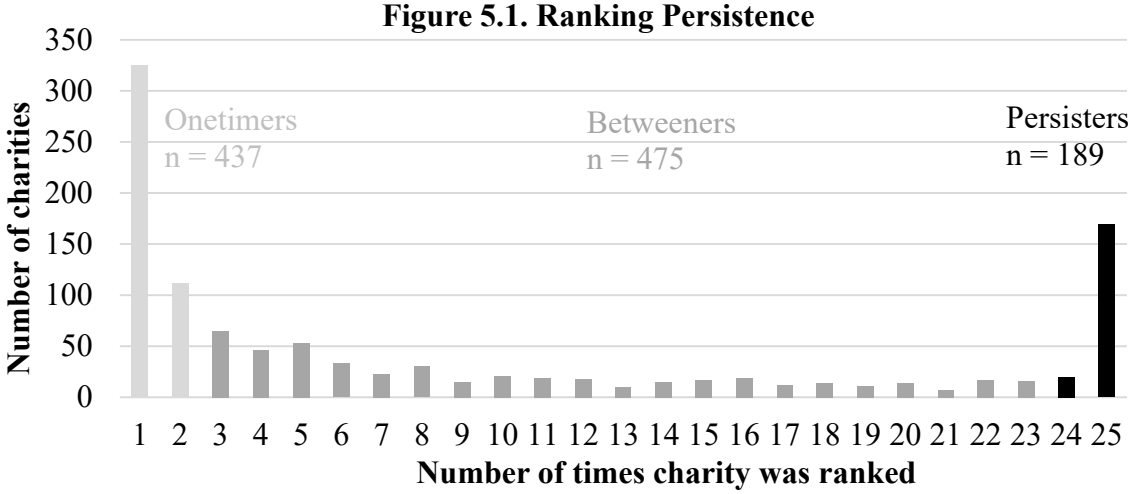
The Philanthropy 400 has not been studied as a group previously. This chapter analyzes aggregate changes among the charities ranked in the Philanthropy 400. Data used for the analyses include charities from the published rankings plus 310 charities added from outside sources that received sufficient private support to merit inclusion. Analyses examine persistence in the rankings, age of ranked charities, dependence on private support as a percentage of total income, and the share of total U.S. giving received by the charities in the Philanthropy 400. The analyses will provide some descriptive statistics that inform the subsequent analysis of each of the hypotheses. For the first two hypotheses, the analyses focus only on the charities in the Philanthropy 400. The third hypothesis compares figures from the Philanthropy 400 to broader measures of U.S. giving.

Persistence in the Rankings and Changes in Aggregate Private Support

Persistence of charities within the Philanthropy 400, the number of years individual charities were ranked, was spread widely among the 25 years in the study period. Persistence is measured by the number of years a charity received private support greater than or equal to the 400th position in the rankings using the data updated from sources outside the original publications. Figure 5.1 displays the distribution by persistence type of the 1,101 ranked charities, dominated by heavy occurrences at either extreme of persistence. The three persistence types include: *Onetimers,* charities ranked one or two years; *Betweeners,* charities ranked three to 23 years; and *Persisters*, charities ranked 24 or 25 years. Onetimers include 40% of ranked charities (n = 437). Betweeners include 43% of ranked charities (n = 475) spanning the widest range of years (n = 21).

While only 17% of the ranked charities are Persisters (n = 189), nearly half of the 400 positions in every ranking (47.3%) were filled with exactly the same charities.

Figure 5.1. Ranking Persistence

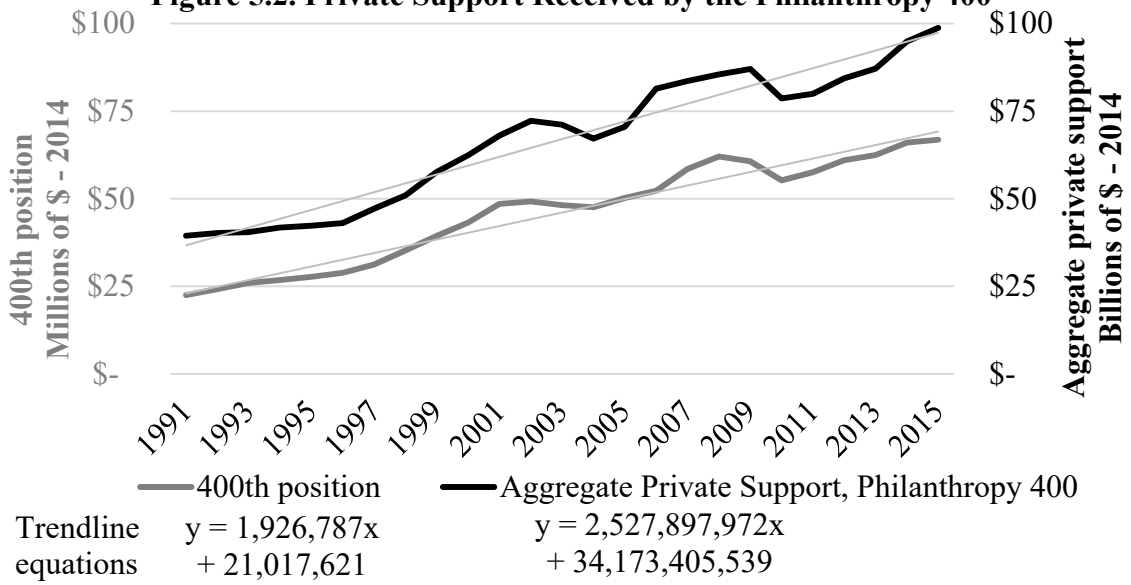


The heterogeneity of the Betweeners suggested subdividing this persistence type, as described in the previous chapter. Subdivision was based on the pattern of inclusion in the rankings into *Exiters, Variers,* and *New Persisters.* Exiters include 117 charities (25% of the 475 Betweeners), Variers include 145 charities (31%), and New Persisters include 213 charities (45%). Results will be presented by the three persistence types, plus, where appropriate, the three Betweeners subdivisions.

Ranked charities received increasing private support on an inflation-adjusted basis, reflected by both an increasing value of 400th position and an increasing aggregate amount of private support received. Figure 5.2 plots the inflation-adjusted value of 400th position in millions of 2014 dollars on the left axis and the aggregate value of private support received by the ranked charities in billions of 2014 dollars on the right axis. Both of these measures increased over the study period. The rate of increase for 400th position of 8.1% annually and 202% over the study period compared favorably to the rate of increase for the aggregate amount of private support received by ranked charities of 6.6%

annually and 165% over the study period. However, the slope of the trendlines, adjusting for the difference between millions and billions, was greater for aggregate private support than for 400th position. The differences in annualized percentage increases can be explained by the lower starting point for the 400th position. A comparison of aggregate private support received by the Philanthropy 400 to total U.S. giving is presented later in this chapter.

Figure 5.2. Private Support Received by the Philanthropy 400



Age of Ranked Charities, Ranking Persistence, and Private Support Influences

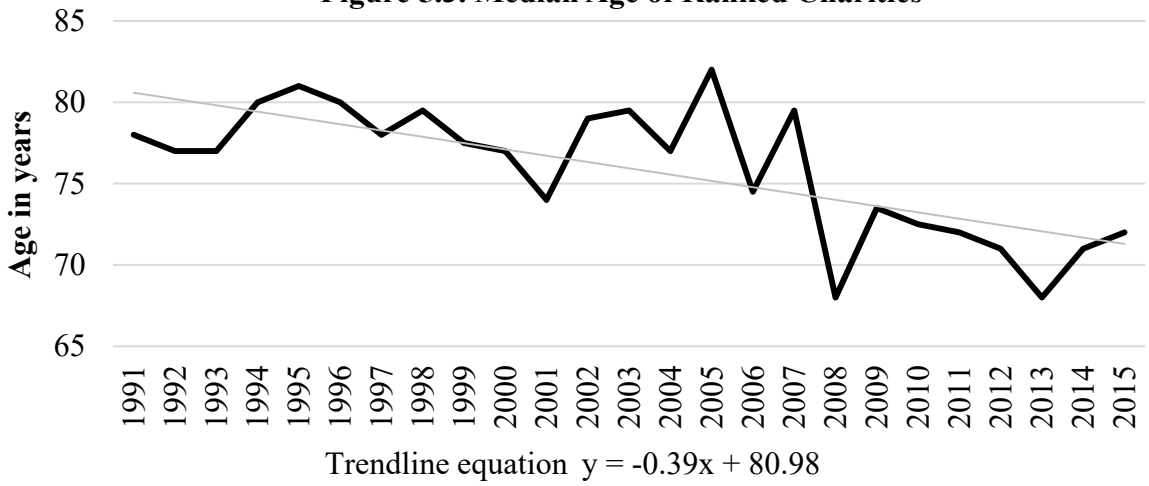
As outlined in the Theory chapter, younger organizations are better adapted to their current environment but may suffer from the liabilities of newness and smallness (Stinchcombe, 1965), while older organizations have proven operating systems but may suffer from the liabilities of senescence and obsolescence (Baum, 1989; Baum & Shipilov, 2006). This section examines the interplay of age, entry into and persistence in the rankings, and how these influence the receipt of private support.

Median age. Persisters are older as a group than Onetimers and Betweeners. The median age in 2015 for all three types was calculated assuming that none of the charities

became defunct, which allowed a positive age in 2015 to be calculated for all ranked charities. The median age for Persisters is 110 years, 77% greater than the Onetimers' median age of 62 years, and 90% greater than the median age of Betweeners of 58. Persisters are considerably older than Onetimers and Betweeners.

With 189 Persisters, nearly half of the ranking spots every year were occupied by the same charities, which all aged one year with each successive ranking. Since the median age reflects the age of the 200th oldest charity, this level of persistence created the expectation that the median age of the ranked charities increased each year. However, Figure 5.3 illustrates that the trendline for the median age of ranked charities declined at a rate of one year in age every three years of rankings. The six-year change in actual median age over the study period, from 78 years to 72 years, was an 8% decline, while using the trendline equation calculated an 11-year change, from 81 to 71 years, a 12% decline. The change in the median age of ranked charities, considering the steady aging of Persisters, required a decline in the median age for Onetimers and Betweeners.

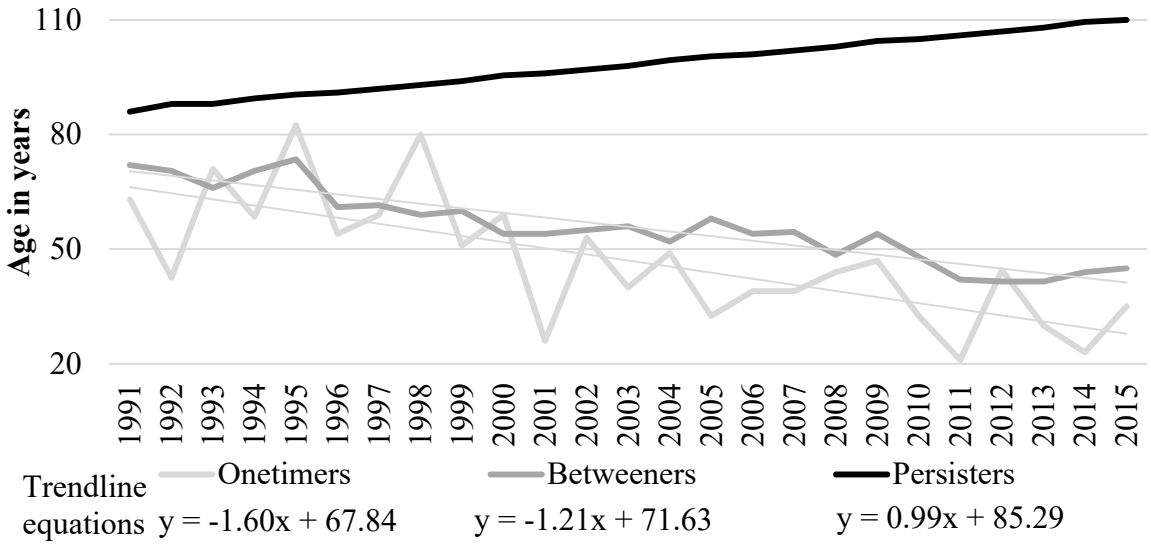
Figure 5.3. Median Age of Ranked Charities



The declines in median age for Onetimers and Betweeners are confirmed in Figure 5.4. Both the Onetimers and Betweeners declined in median age at a comparable

rate. Onetimers decreased in actual median age 28 years during the study period, from 63 years to 35 years, a 44% decline. Betweeners decreased in actual median age 27 years over the study period, from 72 to 45 years, a 38% decline. A one-way ANOVA test confirmed that these persistence types have independent means at p = 0.000 and were different from zero at p = 0.000.[11] An independent samples t-test confirmed that the first differences of these trends had significantly different means at p = 0.000. As expected, the Persisters steadily increased in median age, at a rate of about one year each successive ranking year. Since Onetimers and Betweeners also age by one year in each successive ranking, a subsequent discussion shows that charities entering the rankings were younger than those they replaced.

Figure 5.4. Median Age of Ranked Charities by Persistence



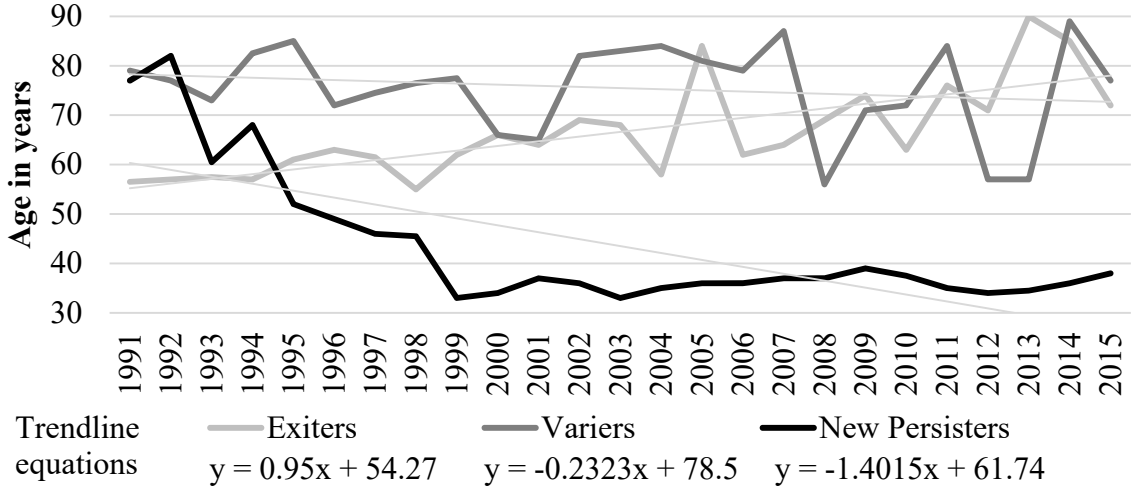
The subdivisions of the Betweeners shown in Figure 5.5 provide a contrasting pattern of median age for ranked charities. The Exiters increased in median age, similar

[11] A statistically significant difference was measured between persistence types as determined by one-way ANOVA (F(3,96) = 391.116, p = 0.000). A Tukey post-hoc test confirmed the independence of the persistence types with differences between the Persisters and the other types at p = 0.000 and the difference between Onetimers and Betweeners at a level of p = 0.015. All three persistence types were different from zero at a level of (p = 0.000).

to the Persisters. The increasing median age of the Exiters supports the theory that older charities suffer from the liabilities of obsolescence and senescence as they either become defunct or exit the rankings due to private support less than 400th position. The Variers slightly declined in median age. The New Persisters declined sharply in actual median age, dropping from 77 years to 33 years between 1991 and 1999, a 57% decline, and then varied in median age between 33 and 39 years for the rest of the study period. This indicates that the entering New Persisters were younger than incumbent New Persisters, since New Persisters did not exit the rankings. A one-way ANOVA test confirmed that the subdivisions of the Betweeners have independent means at $p = 0.000$ and were different from zero at $p = 0.000$.[12] An independent samples t-test revealed that only the first differences of these trends between the Variers and New Persisters had significantly different means at $p = 0.042$. The first differences between the Exiters and New Persisters were just outside the range of significance at $p = 0.103$, while the first differences between the Exiters and Variers were not significant at $p = 0.482$.

[12] A statistically significant difference was measured between the subdivisions of the Betweeners as determined by one-way ANOVA ($F(3,96) = 308.398$, $p = 0.000$). A Tukey post-hoc test confirmed the independence of the subdivisions with differences between the New Persisters and the other subdivisions at $p = 0.000$ and the difference between Exiters and Variers at a level of $p = 0.008$. All three subdivisions were different from zero at a level of ($p = 0.000$).

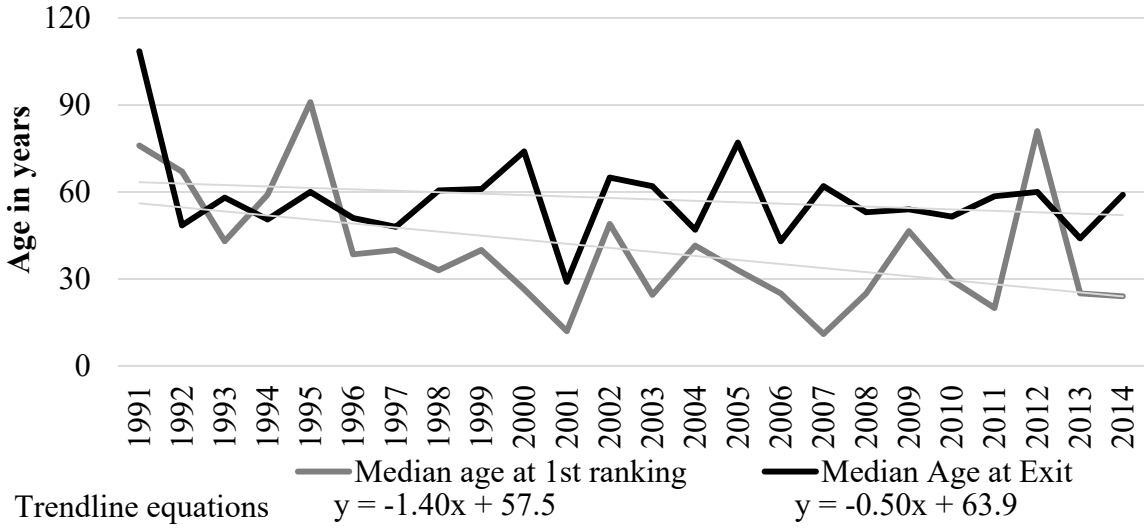
Figure 5.5. Median Age of Ranked Charities
Subdivisions of Betweeners



Declining age within the New Persisters supports the theory that younger charities are better adapted to their current environment. Of the 145 New Persisters, 33 entered the rankings at age 10 and under; 29 between ages 11 and 20; 21 between ages 21 and 30; and 15 between ages 31 and 40. These 98 charities, which were 40 years old and younger when they first entered the rankings, include two thirds of the New Persisters. The New Persisters entering the rankings steadily became younger during the 1990s. During the 2000s, the median age for the New Persisters varied between 33 and 39 years. New Persisters include commercially affiliated donor-advised funds and community foundations like *Fidelity Charitable Gift Fund* and the *Omaha Community Foundation*. However, New Persisters operate in many fields, including some new causes or approaches to recurrent social problems at the time of their founding, such as *Environmental Defense Fund, Michael J. Fox Foundation for Parkinson's Research, Nationwide Children's Hospital, NPR, Oxfam, Smile Train, Teach for America,* and *Wounded Warrior Project*. Relatively young charities with a wide range of missions have been able to enter and remain in the rankings.

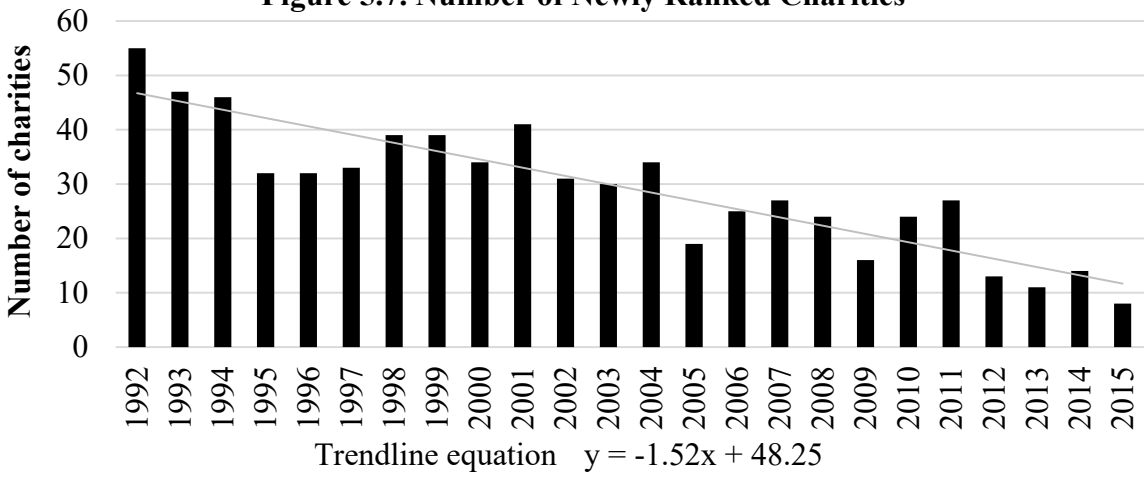
A primary driver of the downward trend of the median age of ranked charities appears to be younger charities entering the rankings and replacing exiting older charities. Figure 5.6 depicts the median age of charities the first time they were ranked and the median age of charities the last time they were ranked before exiting. The 2015 ranking was omitted from this figure because none of the charities exited from that ranking. Charities at the time of first ranking declined in actual median age by 62%, from 76 years to 29 years during the study period. A one-way ANOVA test confirmed these two median age trends had independent means at $p = 0.000$ and both were different from zero at $p = 0.000$. However, an independent samples t-test of first differences revealed the two trends were not significantly different at $p = 0.384$. The charities that exited the rankings decreased in actual median age from 108 years to 59 years during the study period, a 46% decline. The decline in slope for the median age for newly ranked charities, 1.40, was greater than the slope for charities exiting the rankings, -0.50, indicating younger charities replaced older charities in the rankings, although with mixed levels of statistical significance.

Figure 5.6. Median Age of Charities, First or Last Ranking



Number of charities entering and exiting the rankings. Changing numbers of newly ranked and exiting charities affect the calculation of the median age. The observed number of newly ranked charities declined, as shown in Figure 5.7. This figure omitted 1991, because all charities were newly ranked in this initial publication. An average of 29 and a median of 31 new charities entered the rankings each year. While younger charities received enough private support to enter the rankings, fewer charities did so each successive year. The decline in the number of newly ranked charities may be partly explained by the difficulty posed during the study period by the 202% increase in private support for 400th position, the minimum amount needed to enter the rankings. Similarly, the 189 Persisters plus the 145 New Persisters occupied as many as 331 ranking positions in any given ranking. The large number of charities staying in the rankings left fewer vacant positions for new charities to occupy, although no guarantee exists that either Persisters or New Persisters will remain above the 400th position indefinitely. In the unlikely event of a continuing decline of new entrants to the rankings, the rate of decline of 1.5 fewer new charities entering the rankings each year suggests no new charities will enter the rankings beginning in 2021, after six more rankings.

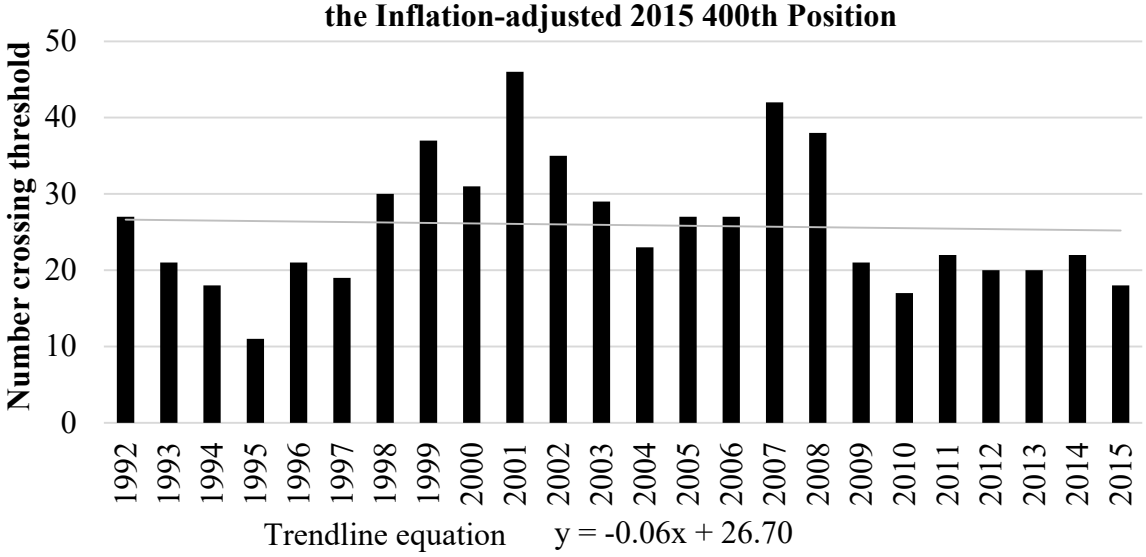
Figure 5.7. Number of Newly Ranked Charities



However, the declining median age of newly ranked charities seems inconsistent with the projection that new charities will no longer enter the rankings, although the increasing amount of private support required to enter the rankings may affect the entry of new charities. A constant threshold for entering the rankings was created by inflation-adjusting the private support for the 400th position in the 2015 ranking and was applied to all years' rankings.[13] As was done for Figure 5.7, 1991 was omitted, because all charities were newly ranked. Using the adjusted threshold, an average of 26 and a median of 23 charities entered the rankings each year, fewer than entered the rankings using the unadjusted threshold. Figure 5.8 displays the number of newly ranked charities using the constant threshold. Charities crossed the constant threshold in fairly equal numbers during the study period. The modest decline in number of charities crossing the constant threshold for the first time since 2008 may have been influenced by the Great Recession, and as the effects of this economic decline fall further into the past, this suggests that new charities will continue to enter the rankings. The relatively steady number of charities surpassing the adjusted threshold indicates that the increasing value of 400th position contributed to the declining entry of new charities into the rankings depicted in Figure 5.7. However, the steady number of charities first growing above a constant threshold suggests that the declining number of newly ranked charities will probably not continue, thus requiring other explanations.

[13] While the use of the 2015 value as the basis for 400th position results in rankings with fewer than 400 charities, inflation adjusting 400th position from the 1991 ranking, which was only one-third the value of the 400th position in 2015 on an inflation-adjusted basis, results in an unidentified population of charities that may have been ranked.

Figure 5.8. Charities Surpassing for the First Time the Inflation-adjusted 2015 400th Position



Presenting an alternative explanation, measurement error contributed to the observed declining number of newly ranked charities in the most recent years. Updates to the published data added 310 charities that should have been in the rankings. Of these 310 charities, 289 (93.2%) were identified in the Statistics of Income (SOI) files, dominated by Onetimers. Given the availability of SOI archives only through 2012 from the National Center for Charitable Statistics, the lag of several years caused the omission of charities that should have been ranked in more recent years but remained unidentified by this important data source.[14]

The availability of data impacted the inclusion of charities that should have been ranked but were overlooked. The SOI archives from NCCS were available only through 2012. News announcements of large gifts identified four charities potentially meriting inclusion in the rankings, and these charities reported private support on their Form 990 sufficient to be included in the 2013 or 2014 rankings. As data become available and

[14] The SOI files archived by the NCCS provide data on private support, while the Business Master File, a source released in a timelier manner, provides data on public support, which is the sum of private support plus government grants.

attention to news reports of large gifts improves the completeness of the rankings when they are published, the observed decline in newly ranked charities is expected to either reverse or approach a steady level. Based on announced gifts and Forms 990, at least three previously unranked charities are expected to enter the 2016 rankings.[15]

Number of charities and persistence. The number of charities ranked each year by persistence type revealed counterbalancing changes for Onetimers and Betweeners during the study period. Figure 5.9 delineates the changing number of ranked charities by persistence type. By definition, the number of Persisters changed little.[16] Most striking is the decline in the number of Onetimers by 16, from 31 in 1991 to 15 in 2015. The decline in number of Onetimers was matched by an increase in the number of Betweeners by 18, from 180 in 1991 to 198 in 2015. A one-way ANOVA test confirmed these three persistence types have independent means at $p = 0.000$.[17] An independent samples t-test indicated that the trend in first differences between the Persisters and both the Onetimers and Betweeners were significant at $p = 0.000$, while the trend in first differences between the Onetimers and Betweeners was not significant at $p = 0.897$. The increase in number of Betweeners can be explained by New Persisters returning to the rankings after dropping out for a year or two or entering the rankings for the first time. An increasing number of New Persisters, combined with the steady number of Persisters, would make it more difficult for Onetimers to enter the rankings.

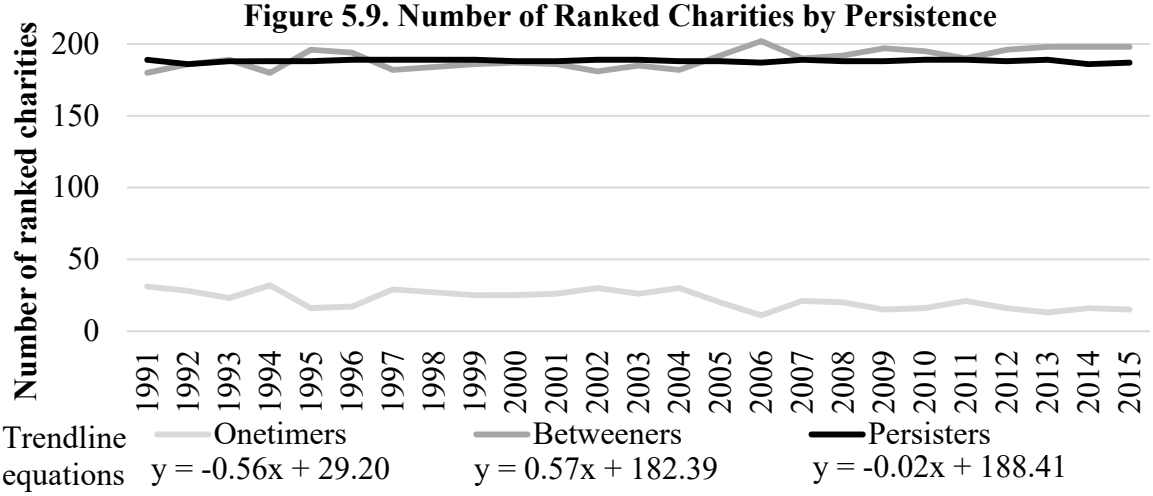
---

[15] These charities include *Year Up,* which reported $69.5 million on its 2015 Form 990; *Donorschoose.org,* which reported $77 million on its 2015 Form 990; and *Lighthouse for the Blind and Visually Impaired,* which announced a $125 million bequest.

[16] The 20 Persisters ranked only 24 years were not uniformly absent across the study period, accounting for the small variation in the number of Persisters during the study period.

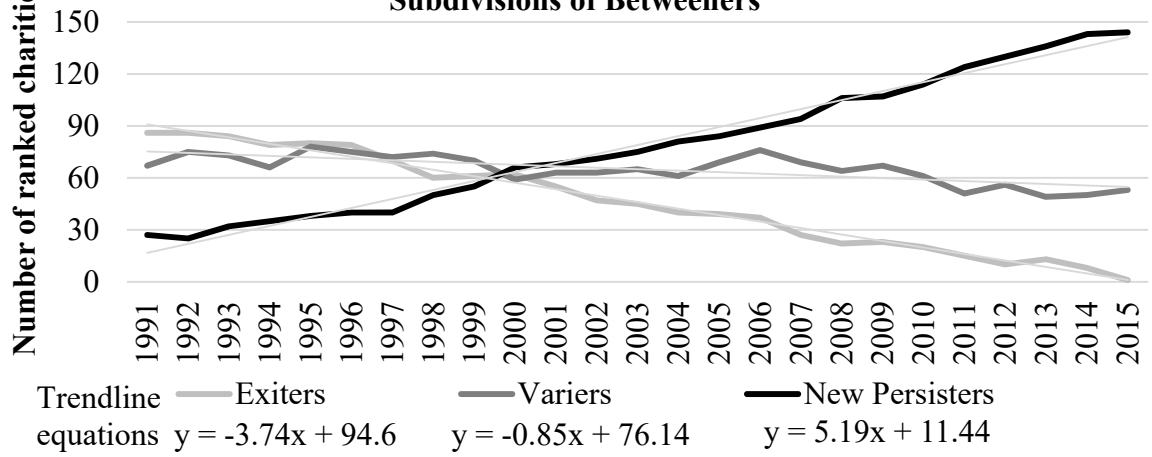
[17] A statistically significant difference was measured between persistence types as determined by one-way ANOVA ($F(2,72) = 8363.616$, $p = 0.000$). A Tukey post-hoc test confirmed the independence of the persistence types with differences between the Onetimers and the other two types at a level of $p = 0.000$. However, no statistically significant difference was measured in the number of charities between the Betweeners and Persisters ($p = 0.517$).

Figure 5.9. Number of Ranked Charities by Persistence



Subdivision of the Betweeners into Exiters, Variers, and New Persisters confirms that the increase in number of Betweeners was driven by the increasing number of New Persisters. Figure 5.10 displays the number of ranked charities within the Betweeners type, with declines for the number of Exiters and Variers and increases for the number of New Persisters.

Figure 5.10. Number of Ranked Charities by Persisence, Subdivisions of Betweeners



One potential interpretation of the decline in number of Onetimers is that recently ranked Onetimers have not had enough time to be ranked again to become Betweeners. However, two observations argue against this interpretation. First, charities tend to be

ranked in consecutive years. Two out of three charities in the study population were only ranked in consecutive years (n = 676). A slight majority (58%) of Onetimers that were ranked twice were ranked in no more than a three-year period. With the apparent short period of time during which most individual charities are ranked, the length of study period does not seem to be the primary limiting factor for Onetimers appearing in the rankings.

Second, most Onetimers that were ranked only one year entered the rankings through one year of private support far greater than their average inflation-adjusted private support in all other years. These extraordinary years are exemplified by the $134 million in private support received by the *Poetry Foundation* in 2002, 520 times its inflation-adjusted average private support of $340,412 in other years. Extraordinary years in which these Onetimers were ranked represented more than a small increase in private support. Of the charities ranked only a single year, 319 of the 323 entered the rankings through receipt of private support exceeding their inflation-adjusted average of private support from all other years.[18] Only 32 Onetimers (10%) entered the rankings by receiving less than double their typical private support from years they were not in the rankings. Most of the Onetimers entered the rankings by receiving private support that significantly exceeded their inflation-adjusted average private support, with 287 charities (90%) receiving at least twice their average private support; 98 of these charities (30% of the total) receiving at least 10 times their average; and 21 of these charities (6% of the total) receiving more than 100 times their average. These findings underline the difficulty

[18] Four charities ranked only a single year had lower inflation-adjusted private support the year they were ranked compared to the inflation-adjusted average private support received in other years. Both *Mission Aviation Fellowship* and *American Associates of Ben-Gurion University of the Negev* were ranked in 1991. Similarly, *The New School* was ranked in 1992 and *Bright Focus Foundation* was ranked in 1995. All four of these charities grew their private support more slowly than the increase in the 400th position.

in entering the rankings due to the increasing value of 400th position and the increasing presence of New Persisters. Even in extraordinary years, charities that may enter the rankings as Onetimers would typically need gifts at a multiple of their typical level of private support.

Position in the rankings and persistence. Charities in the different persistence types moved differently in the rankings. These changes were consistent with movements by age, as the younger Betweeners rose in the rankings and the older Persisters fell in the rankings.

The box plots in Figures 5.11.a - 5.11.c provide a visual guide to the change in ranking positions by persistence type. Rates of change for the key measures are quantified in Table 5.1. In the box plots, the top of the box is the upper bound for the first quartile and the bottom of the box is the lower bound for the third quartile, with a heavy line marking the median. The whiskers extending from the boxes end at the point of the highest- and lowest-ranked charities for each persistence type.

Aggregate changes in position shown in Figures 5.11.a - 5.11.c indicate that the Betweeners modestly rose and Persisters modestly fell in the rankings, while Onetimers were more erratic. The Betweeners rose in the highest position, first quartile, median, and third quartile. The Betweeners occupied the 399th or 400th position in every ranking, and thereby did not materially change their lowest position. These results indicate that the Betweeners rose in overall position within the rankings. The Onetimers were far more erratic, partly attributable to an average of only 22 Onetimers in each ranking (5.5% of all 400 positions), and most Onetimers never rose above the 200th position. Onetimers fell in the highest position, median, and third quartile. The first quartile for the Onetimers rose

slightly, as did the lowest position. This pattern indicates that the Onetimers were able to make the rankings, but entering the rankings through extraordinary years of private support only lifted them to low levels within the rankings. The Persisters fell in overall ranking positions for the first quartile, median, third quartile, and lowest ranked position. The Persisters maintained a constant top-ranked position, with the *United Way* ranked first by always receiving the most private support. Starting with the 2008 ranking, the third quartile for the Persisters dropped below the 200th position. Until then, the 189 Persisters occupied an average of 141 of the top 200 positions, leaving only 59 positions for the Onetimers and Betweeners in the top half of the rankings. The fall of the third quartile below the 200th position indicated that the Persisters fell in overall position within the rankings. These findings indicate that the younger Betweeners slowly rose in the rankings, while the older Persisters slowly fell.

Figure 5.11.a. Ranking Positions for Onetimers

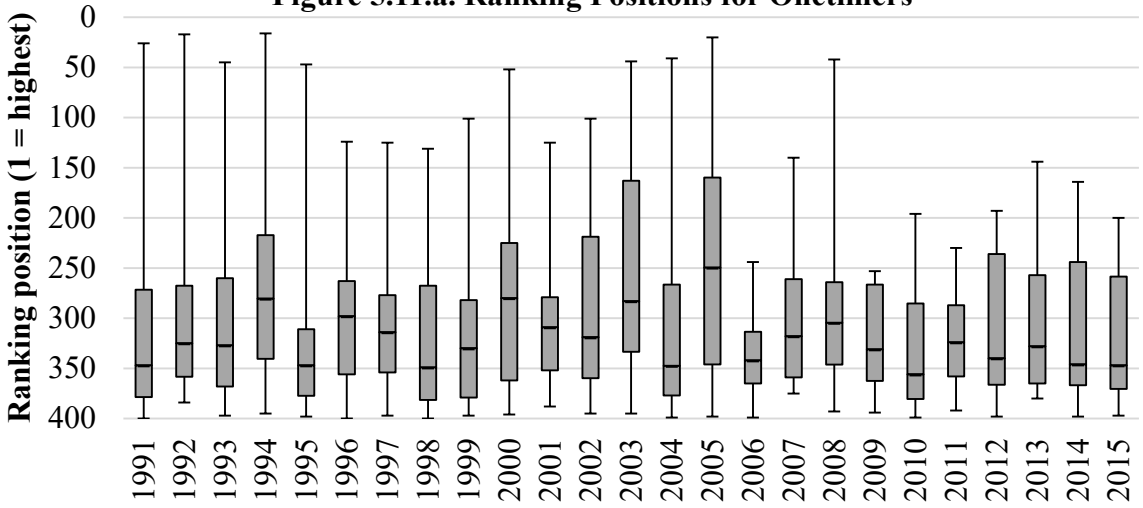


Figure 5.11.b. Ranking Positions for Betweeners

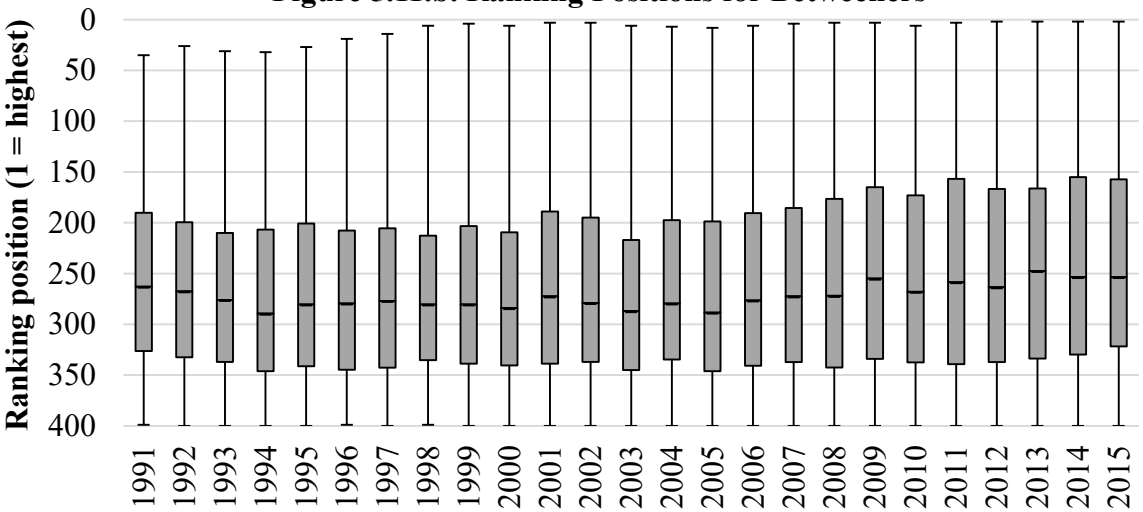
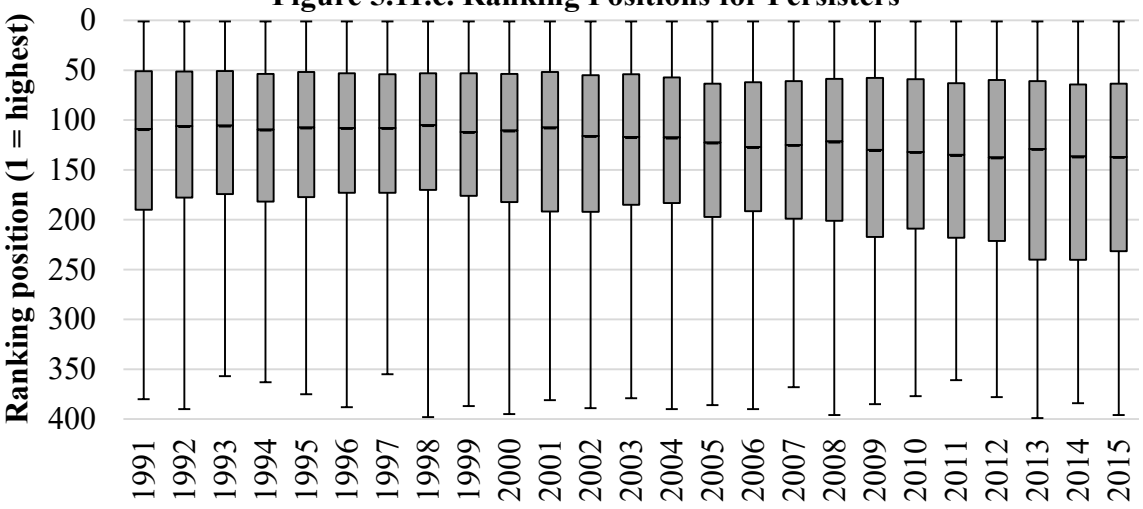


Figure 5.11.c. Ranking Positions for Persisters



The changes depicted in the box plots are confirmed by the quantifications included in Table 5.1. The rate of change is measured by the slope of the line over the study period for each box plot measurement. Positive values for the rate of change indicate rising within the rankings, while negative values for the rate of change indicate falling within the rankings. The measures quantify the number of ranking positions that portion of the distribution rose or fell each ranking year. A one-way ANOVA test confirmed quartiles and medians for the three persistence types have independent means at $p = 0.000$.[19]

Table 5.1. Rate of Change in Ranking Position by Persistence Type

	Onetimers	Betweeners	Persisters
Highest Position	-6.955	1.208	0.000
Quartile 1	0.309	2.160	-0.550
Median	-0.712	0.954	-1.457
Quartile 3	-0.020	0.210	-2.553
Lowest Position	0.145	-0.018	-0.448

Parallel to the discussion of the box plots, the Betweeners rose in all change measures except the lowest rank. Their rate of change was highest for the highest rank and the first quartile, indicating that the Betweeners receiving the most private support rose faster in the rankings than the Betweeners receiving less private support. The Persisters provide an opposite set of trends, falling in all change measures except the top rank. The rate of change was highest for the median and third quartile, indicating that the Persisters in the middle of the distribution fell in the rankings faster than the Persisters at the extremes of the distribution. Onetimers generally fell in the rankings, dropping from their highest position the fastest of any of the change measures. These figures confirm the

[19] A statistically significant difference was measured for Quartile 1 between persistence types as determined by one-way ANOVA ($F(2,72) = 436.347$, $p = 0.000$), for the Medians ($F(2,72) = 846.312$, $p = 0.000$), and Quartile 3 ($F(2,72) = 924.318$, $p = 0.000$). A Tukey post-hoc test confirmed the independence for all cases of the quartiles and medians by persistence types at a level of $p = 0.000$.

visual assessment of the box plots, and support the hypothesis that younger charities rose within the rankings and older charities fell, since Betweeners were generally younger than Persisters.

Persistence in the top ranking positions. The charities ranked in the top 10 and 200 positions in the rankings echo these findings in Figures 5.12.a and 5.12.b. Persisters were slowly displaced among the top positions, mainly by Betweeners. Onetimers did not frequently rise to the top half of the rankings, never entering the top 10 positions and entering the top 200 positions only 77 times in 25 years. Betweeners increasingly held positions in the top half of the rankings. In the 2015 ranking, Betweeners held six of the top 10 positions and 74 of the top 200 positions. The decreasing number of Persisters in the top 200 ranking positions starting with the 2008 ranking reflects the findings from the box plots. Most of the charities newly entering the top 200 positions were Betweeners. The Betweeners slowly displaced the Persisters at the top of the rankings.

Figure 5.12.a. Top 10 Ranking Positions by Persistence

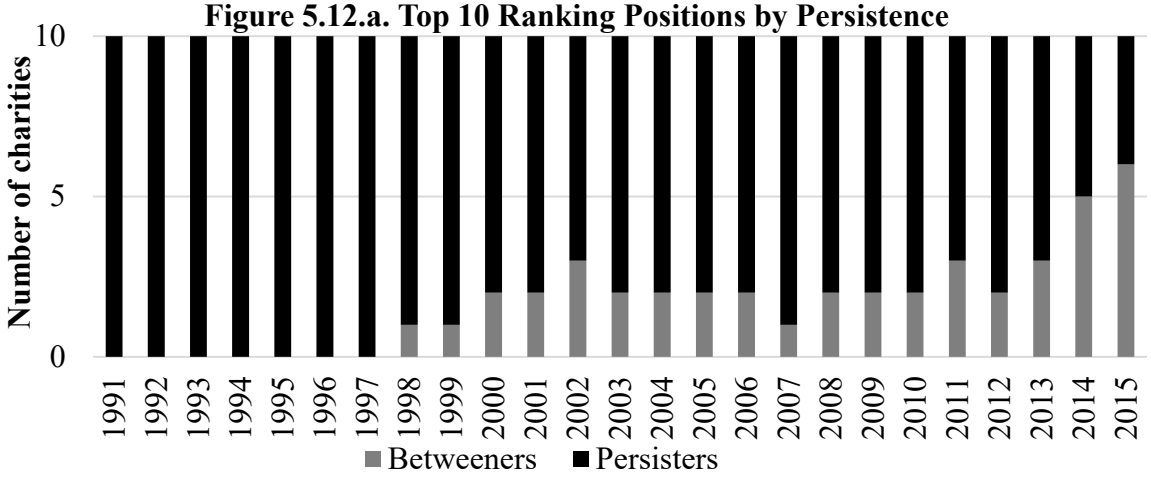
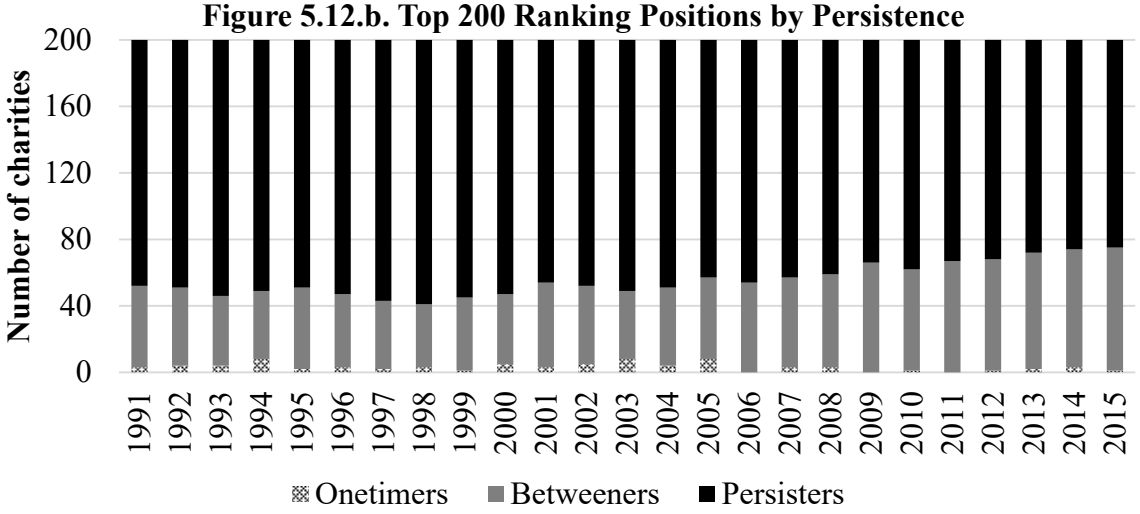


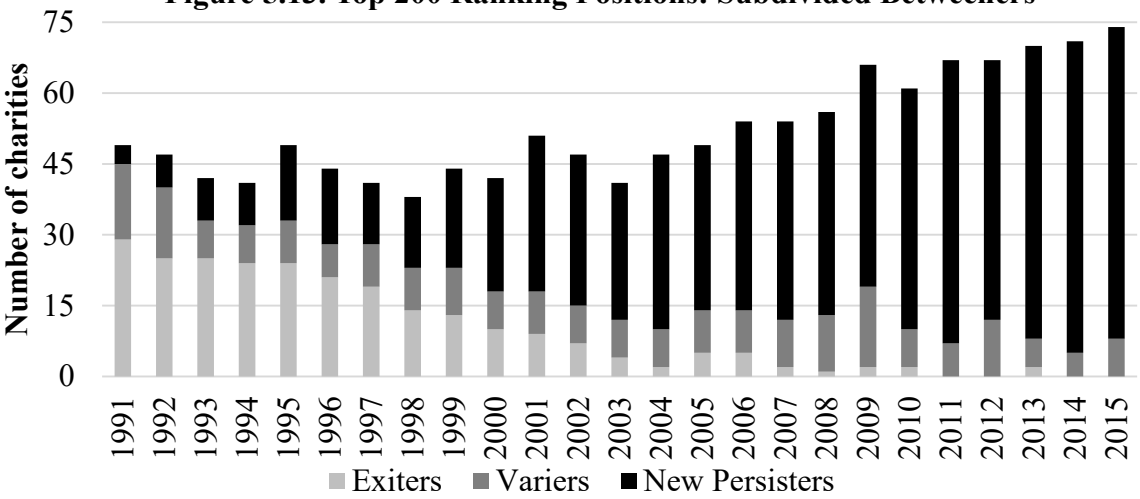
Figure 5.12.b. Top 200 Ranking Positions by Persistence



Note. The cross-hatched pattern for Onetimers highlights the few times Onetimers were included.

Subdividing the Betweeners reinforced the ascent of the New Persisters into the top half of the rankings, as shown in Figure 5.13. New Persisters increasingly occupied the top 200 positions, while the Exiters disappeared from the top 200 positions. The New Persisters appear to receive relatively high levels of private support once they enter the rankings and maintain or increase that level of support.

Figure 5.13. Top 200 Ranking Positions: Subdivided Betweeners



The eight New Persisters entering the top 10 positions include both funding intermediaries and program-implementing charities. Commercially affiliated donor-advised funds, other national donor-advised funds, and community foundations comprise

six of these top 10 New Persisters, led by *Fidelity Charitable Gift Fund* (18 top 10 positions), followed by *Schwab Charitable Fund* (five top 10 positions), *Vanguard Charitable Endowment Program* (two top 10 positions), and *National Christian Foundation* (one top 10 position). The *Silicon Valley Community Foundation* had three top 10 positions, and the *Tulsa Community Foundation* had one top 10 position. Aside from the *Fidelity Charitable Gift Fund,* the two New Persisters entering the top 10 positions the most times were the *Task Force for Global Health* and *Lutheran Services in America,* each with six top 10 positions. These two charities equal the number of top 10 positions for all of the funding intermediaries combined, excluding the *Fidelity Charitable Gift Fund.* In addition to these New Persisters, a single Varier received a top 10 position in 2002: *Stowers Institute for Medical Research*. While funding intermediaries offering products like donor-advised funds have significantly increased their private support, they are not necessarily doing so to the exclusion of other charities able to enter the top 10 positions.

A brief review of the fields of the charities in the top 10 positions reveals that service-providing charities vastly outnumber funding intermediaries. Of the 250 top 10 positions during the 25-year study period, over half (n = 132 positions) were occupied by charities providing social services. The next most-prevalent were charities engaged in international relief and development (n = 30 positions). These all equaled or exceeded the presence in the top 10 of the commercially affiliated donor-advised funds plus other national donor-advised funds (n = 26 positions) and community foundations (n = 4 positions). Health advocacy charities (n = 27 positions) were the next most prevalent and

play an intermediate role in funding their own programs and making grants to other charities.

Private support and persistence. The upward trend in aggregate private support received by the charities ranked in the Philanthropy 400, both in total and by persistence type, is illustrated in Figure 5.14 and summarized in Table 5.2. The increasing value of private support required to make 400th position in the rankings over 25 years created no guarantee that charities at much higher positions in the rankings also increased the amount of private support received. The aggregate amount of private support received by persistence type revealed important distinctions.

Figure 5.14. Private Support by Persistence

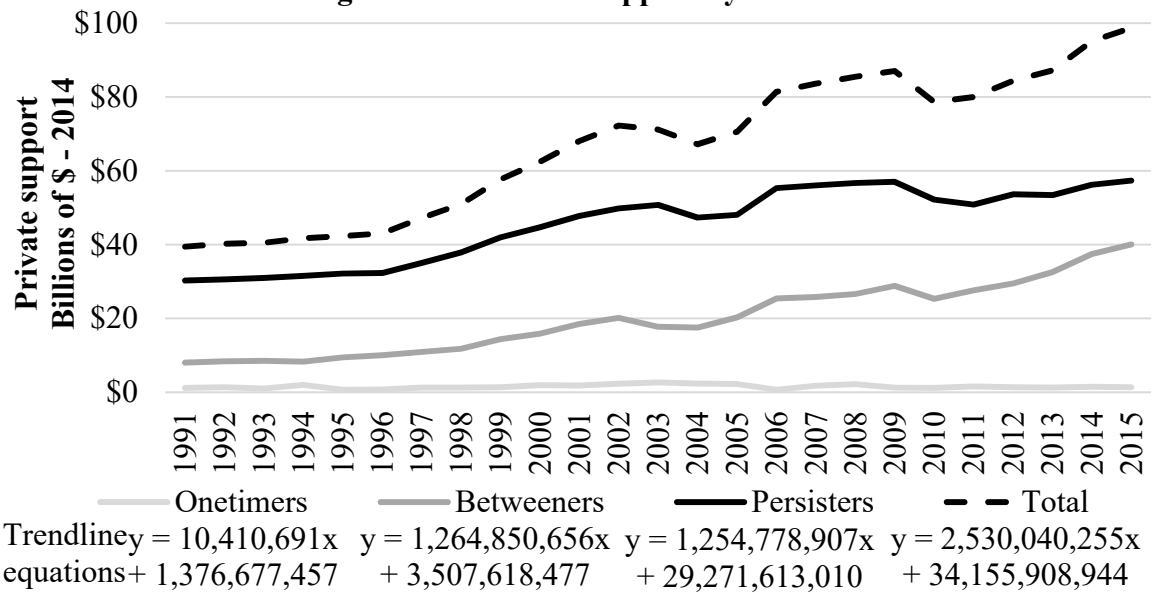


Table 5.2. Increase in Private Support Received by Persistence Type

Private Support	Onetimers	Betweeners	Persisters	Total
Percentage Increase	16%	399%	90%	150%
Amount Increase, $ - 2014	$ 0.19 billion	$27 billion	$32 billion	$59 billion

Onetimers collectively received a fairly steady, but relatively small, amount of private support. The 16% increase in private support received by Onetimers over the

study period is far less than the 150% increase in private support received by all ranked charities. Nominally, the increase is even more lopsided, because Onetimers collectively received an inflation-adjusted increase of $186 million in private support between 1991 and 2015, far less than the $59 billion increase for all ranked charities. The relatively slow increase in the amount of private support received by the Onetimers is attributable to the low number of Onetimers making each ranking, the declining number of Onetimers in each ranking, and the relatively low positions reached by Onetimers, which is balanced by the increasing amount of private support required simply to make the rankings.

Increases in private support received by both Betweeners and Persisters drove the increase in private support received by all ranked charities. Betweeners increased receipt of private support by 399%, or $27 billion. Persisters increased receipt of private support by 90%, or $32 billion. The slopes of the trendlines for Betweeners and Persisters were very close, at 1.26 and 1.25 billion, respectively. A one-way ANOVA test confirmed the trends for the three persistence types have independent means at $p = 0.000$.[20] Additionally, first differences using an independent sample t-test indicates the Onetimers are different from Betweeners, Persisters, and the total population at significance levels of $p = 0.001$, 0.001, and 0.000, respectively. The only other first differences t-test level of significance compares the Betweeners and the total population, at $p = 0.037$. The first differences t-test for the Betweeners compared to Persisters is insignificant at $p = 0.562$, while the comparison of the Persisters and total population is insignificant at $p = 0.112$. This indicates that the Onetimers differed from the other persistence types, while the other persistence types moved together in a more correlated pattern. The nominal

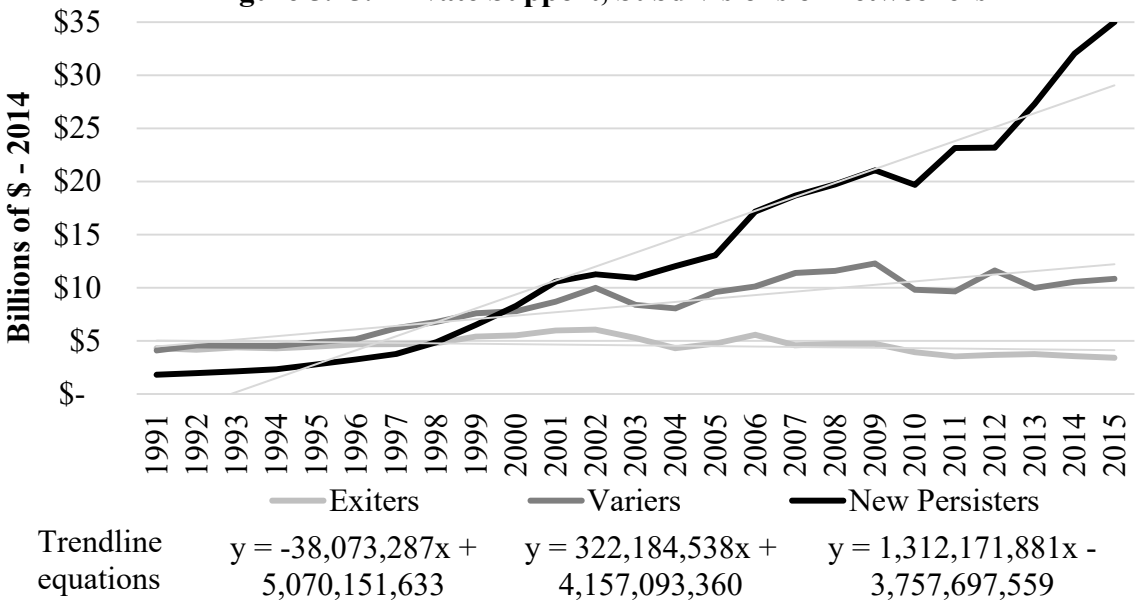
[20] A statistically significant difference was measured between the three persistence types as determined by one-way ANOVA ($F(2, 72) = 192.540$, $p = 0.000$). A Tukey post-hoc test confirmed the independence of the persistence types with differences between all three persistence types at a level of $p = 0.000$.

increase in private support for Persisters was $5 billion higher than for Betweeners, but the Betweeners increased receipt of private support by four-and-one-half times the increase of the Persisters. The higher percentage growth rate of private support received by the Betweeners compared to Persisters indicates that Betweeners outgrew the Persisters in percentage terms, because the Betweeners started at a much lower level of private support than the Persisters.

Subdivision of the Betweeners type, depicted in Figure 5.15, reveals that the New Persisters increased their private support and influenced the similarities from the previous analysis for the similarities among the Betweeners, Persisters, and the Total population. New Persisters increased the inflation-adjusted private support received by $33 billion, while the Variers had a much more modest increase of $7 billion. The Exiters reduced the amount of private support received by $914 million. This indicates that the New Persisters were instrumental in the increase in private support received by the Betweeners, along with the increase in private support received by all ranked charities. A one-way ANOVA test confirmed these three subdivisions of the Betweeners have independent means at $p = 0.000$.[21] The first differences t-tests between these three subdivisions of the Betweeners are all significant. The Exiters compared to the New Persisters are significant at $p = 0.000$, the Exiters compared to the Variers at $p = 0.033$, and the Variers compared to the New Persisters at $p = 0.054$.

[21] A statistically significant difference was measured between the three subdivisions of the Betweeners as determined by one-way ANOVA ($F(2, 72) = 13.544$, $p = 0.000$). A Tukey post-hoc test confirmed the independence of the subdivisions with differences between Exiters and New Persisters at a level of $p = 0.000$, between Variers and New Persisters at $p = 0.012$, and between Exiters and Variers at $p = 0.071$.

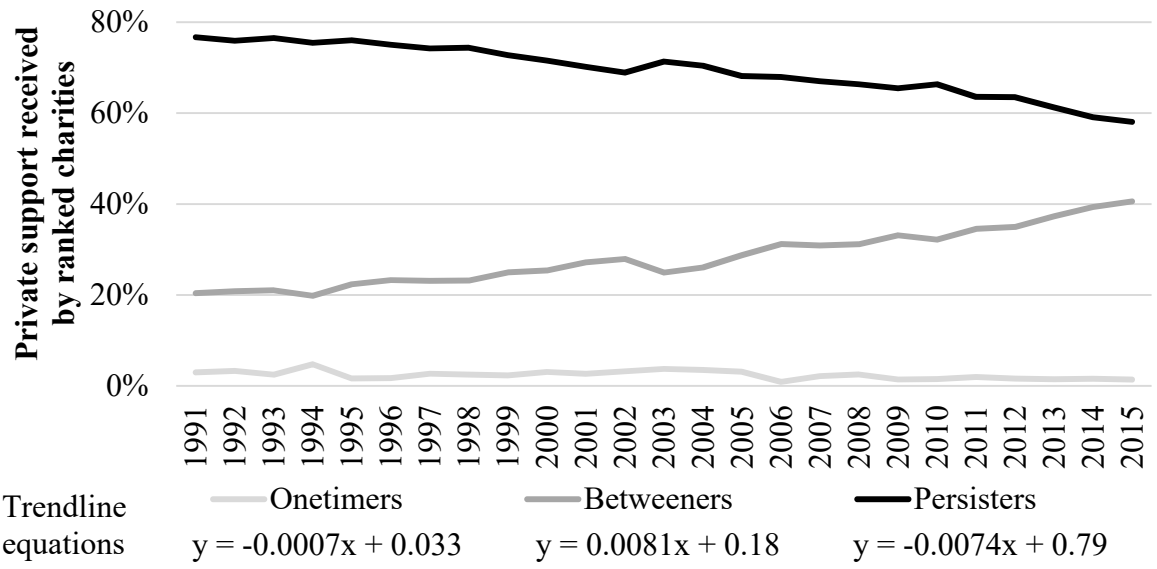
Figure 5.15. Private Support, Subdivisions of Betweeners



Reinforcing the findings of different growth rates for private support by the different persistence types, Figure 5.16 shows the percentage of the aggregate private support for all ranked charities received by each persistence type. While the Onetimers declined in number of charities ranked and increased aggregate private support by 16%, their share of private support received by all ranked charities remained nearly unchanged, declining less than 1% annually, a total decline of 1.8 percentage points over the study period. The Betweeners and Persisters had opposite changes in their percentage of aggregate private support received by all the ranked charities. The Betweeners increased their share of private support received by all ranked charities by 8.1% annually, increasing their share during the study period by 20 percentage points. The Persisters' corresponding share of private support declined 7.4% annually, decreasing their share during the study period by 19 percentage points. A one-way ANOVA test confirmed

these three types have independent means at p = 0.000.[22] Betweeners received an increasing share of private support received by all ranked charities, and Persisters received a decreasing share.

Figure 5.16. Percentage of Private Support by Persistence
(Note: Each year adds to 100%)

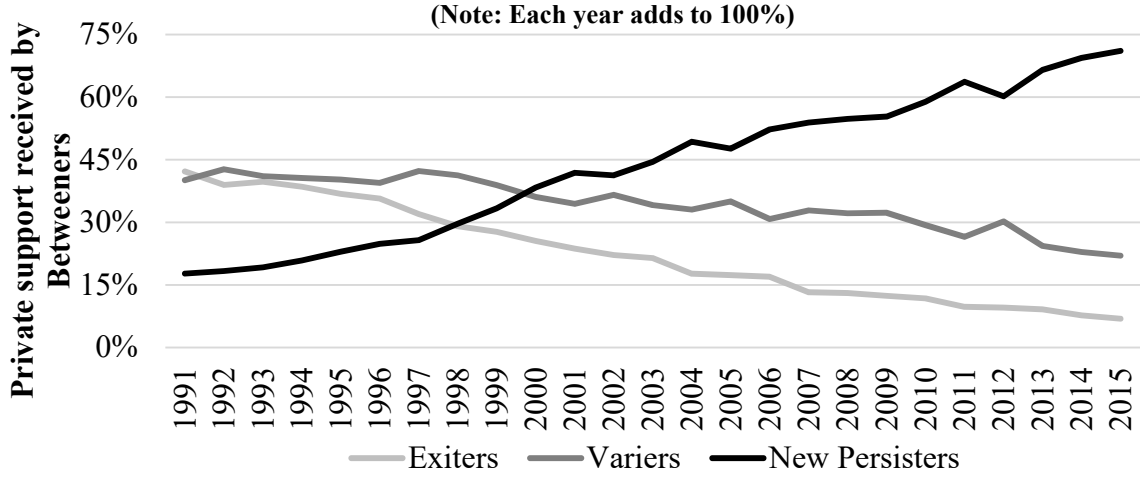


Subdivision of the Betweeners indicates that the New Persisters drove the increasing percentage of private support received by the Betweeners, as shown in Figure 5.17. The New Persisters increased the percentage of private support received, while the Exiters and Variers both decreased the percentage of private support received by the Betweeners. A one-way ANOVA test confirmed these three subdivisions have independent means at p = 0.000.[23]

[22] A statistically significant difference was measured between the three persistence types as determined by one-way ANOVA (F(2, 72) = 2.862, p = 0.000). A Tukey post-hoc test confirmed the independence of the persistence types with differences between all three types at a level of p = 0.000.

[23] A statistically significant difference was measured between the three subdivisions of the Betweeners as determined by one-way ANOVA (F(2, 72) = 17.535, p = 0.000). A Tukey post-hoc test confirmed the independence of the subdivisions of the Betweeners with differences between the Exiters and New Persisters at a level of p = 0.000, between the Exiters and the Variers at p = 0.003, and between the Variers and New Persisters at p = 0.038.

Figure 5.17. Percentage of Private Support Subdivisions of Betweeners
(Note: Each year adds to 100%)

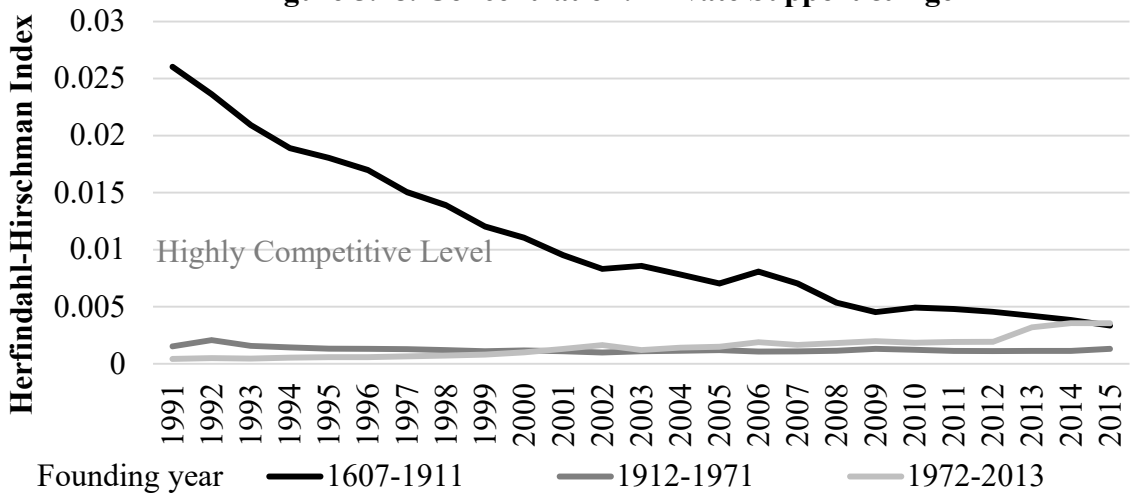


Private support and age. The findings of changes in ranking position and share of private support shifting from the older Persisters to the younger Betweeners is corroborated by the change in concentration of private support by age. The measure used for concentration of private support is a Herfindahl-Hirschman Index (HHI), which sums the squares of market shares for each of the ranked charities (Rhoades, 1993). The HHI determines whether the market is concentrated among the largest charities or if robust competition exists. An HHI below 0.15 indicates an unconcentrated index (U.S. Department of Justice, 2010). The concentration of private support within the Philanthropy 400 is always well below this level. An HHI below 0.01 indicates a highly competitive index, and the HHI for the oldest charities crosses this threshold during the study period. While the market for private support is consistently competitive among the Philanthropy 400, the trends of concentration are informative.

Figure 5.18 shows charities in three age groups, and each group includes the same number of charities: charities founded in 1911 or before; between 1912 and 1971; and 1972 or later. The trends of concentration indicate younger charities increased their

market share of private support relative to older charities. The oldest charities, founded in 1911 or before, reduced market share from unconcentrated to highly competitive, as measured by HHI. The youngest charities, founded since 1971, modestly increased their market share. This market share increase is most evident in the last four years, and the youngest charities received a very slightly higher concentration of private support than the oldest charities in the final year of the study period. These findings support the hypothesis that younger charities rose to displace older charities in the rankings.

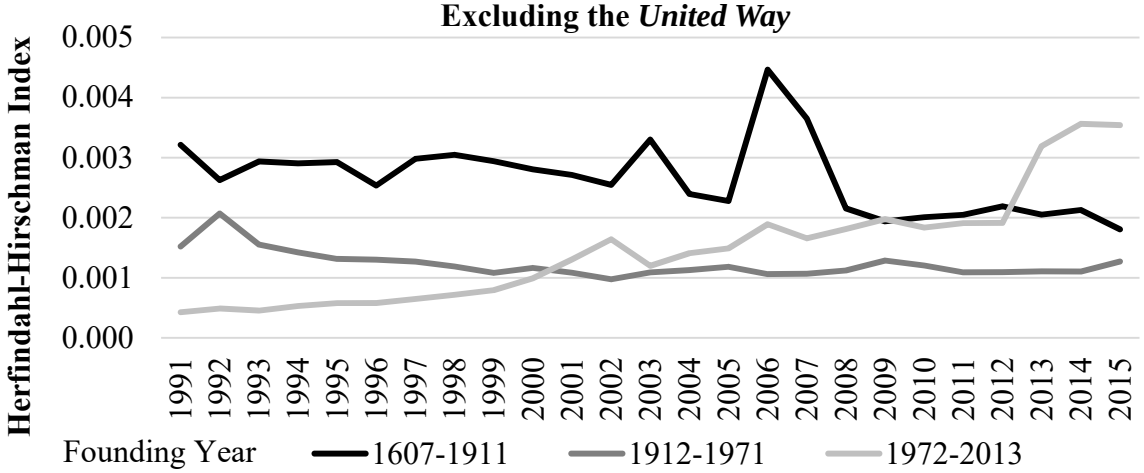
Figure 5.18. Concentration: Private Support & Age



The HHI is sensitive to the largest organization in the population. In this case, the *United Way*, founded in 1887, strongly influenced the concentration of private support within the Philanthropy 400. Simply by removing the *United Way* from the calculation of HHI by age, as shown in Figure 5.19, some of the trends in concentration by different age groups change dramatically. The decreasing concentration among the oldest charities becomes more volatile, with the spike in private support received by some of the oldest charities in the 2006 rankings due to responses to the Christmas Tsunami of 2004, Hurricanes Katrina and Rita in 2005, and the $1.5 billion bequest of Joan Kroc to the *Salvation Army*. The increase in concentration of private support received by the

youngest charities starting with the 2012 ranking becomes more pronounced with the exclusion of the *United Way*, reinforcing the previous observation that younger charities rose to displace older charities in the rankings.

Figure 5.19. Concentration: Private Support & Age
Excluding the *United Way*



Support for hypotheses H1a and H1b. The preceding analyses support hypothesis H1a that younger charities rose in the rankings and older charities fell, while providing mixed and weak support for the competing hypothesis H1b.

H1a: Younger charities rise within the rankings due to their fit with the contemporary environment, while older charities fall due to the liabilities of aging.

H1b: Older charities remain at the top of the rankings due to their institutionalized processes, while younger charities are unable to displace them due to the liabilities of newness.

Supporting Hypothesis H1a regarding younger charities rising in the rankings, the median age of ranked charities fell during the study period, with younger charities replacing older charities that exited the rankings. While the median age declined for charities exiting the rankings, the median age for new entrants declined nearly three times

as fast. At the same time, younger charities displaced older charities in the top 10 and 200 positions in the rankings. Both the Betweeners and Onetimers declined in median age, while the Persisters naturally increased in median age. These findings established that younger charities entered the rankings, and age was related to persistence type.

Contributing to the decline in age for the Betweeners were the New Persisters. The median age for the New Persisters plunged during the 1990s and then remained relatively steady for the remainder of the study period. The measurement of the median age for all New Persisters required that younger charities starting in 2000 must have continued to enter the rankings. These charities stayed in the rankings most years after first entry. These charities entered at progressively younger ages during the study period, while the Variers remained at a steady age and the Exiters became older. By remaining in the rankings, the New Persisters also increased the aggregate amount of private support they received. In support of the second part of Hypothesis H1a regarding older charities falling in the rankings, the aging Exiters fell out of the rankings.

Changes in relative position in the rankings by persistence type reinforced the findings about changes in age. The differences in private support and movement in the rankings were most notable between the Betweeners and Persisters. The Betweeners rose in the rankings and began partially displacing the Persisters in the top positions, both in the top 10 positions and top half of the rankings. While all persistence types increased their private support over the study period, the Betweeners increased the most. Only about 5% of each ranking consisted of Onetimers and the changes for the Onetimers were relatively small. The Onetimers remained at low positions in the rankings throughout the study period.

In general support of Hypothesis H1b regarding older charities remaining at the top of the rankings, older charities remained at the top of the rankings in large numbers, attributable to established fundraising programs and the strength of relationships and brands developed over many decades. However, the older charities are being displaced at the top of the rankings, especially by the New Persisters. These relatively new entrants to the rankings likely quickly developed strength in fundraising, relationships, and brands to be able to consistently generate large amounts of private support. However, the younger charities, especially the New Persisters, are not deterred by a liability of newness in their ability to receive among the highest amounts of private support, which does not support the second half of hypothesis H1b, regarding younger charities' inability to displace older charities in the rankings.

These different patterns of change in position were echoed by trends by age in concentration of private support among ranked charities measured by the HHI. These age-related changes found a pattern of slightly increasing concentration experienced by younger charities founded in 1972 or later, while older charities founded in 1911 or earlier decreased their concentration. These patterns were amplified by removing the United Way, consistently the charity that received the most private support, although in declining amounts. Again, younger charities increased receipt of private support and older charities decreased theirs.

These findings support hypothesis H1a, for both the rise of younger charities and fall of older charities. The findings support the first half of hypothesis H1b, regarding older charities remaining atop the rankings, but refute the second half of hypothesis H1b, regarding the inability of younger charities to displace older charities in the rankings.

Younger charities entered the rankings, displacing older charities that exited the rankings. The younger Betweeners rose in the rankings by virtue of their increasing private support. The Betweeners displaced the older Persisters, especially at the highest positions in the rankings, as the Persisters fell in the rankings. Younger charities increased their market share of private support and older charities decreased their market share. At the end of this chapter, Table 5.6 summarizes the key findings as they support the hypotheses.

Dependence on Private Support

Age is a factor in the amount of private support charities receive, and other characteristics may influence the amount of private support received. Dependence on private support is theoretically predicted to increase for charities that persist in the Philanthropy 400. As an organization matures, dependence on critical resources increases through the processes of resource dependence (Pfeffer & Salancik, 1978) and resource rigidity (Gilbert, 2005). For charities ranked in the Philanthropy 400, that critical resource is private support. Dependence on private support is examined at the aggregate level and also at the individual charity level.

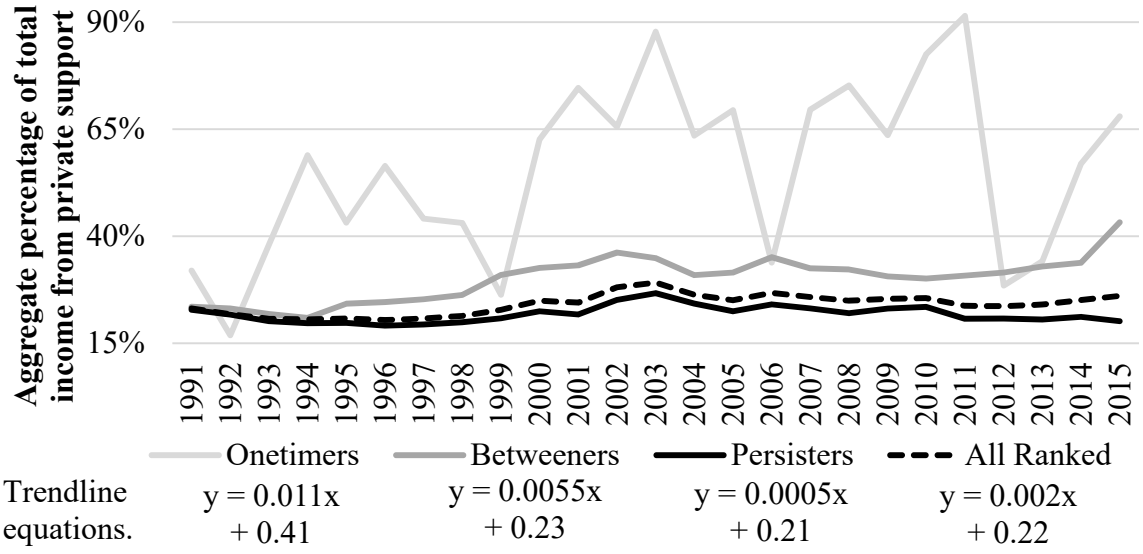
Aggregate dependence on private support. Aggregate dependence on private support as a percentage of total income for ranked charities increased over the study period. Aggregate figures were calculated by summing the private support received by all ranked charities and dividing by the sum of their reported total income, with calculations replicated for each persistence type.

Figure 5.20 illustrates a slight upward trend in dependence on private support for all ranked charities and for each persistence type. All ranked charities increased their collective dependence on private support 0.19% annually and a total of a relatively small

4.6 percentage points over the study period. The volatility experienced by the Onetimers in dependence on private support is far greater than either of the other persistence types. When they were ranked, Onetimers increased their dependence on private support the most, at 1.1% annually and a total of 27.1 percentage points over the study period. The decline in the already small number of Onetimers entering the rankings each year was accompanied by increased dependence on private support for ranked Onetimers, indicating that only Onetimers with a high dependence on private support made the later rankings, a dependence that would be exaggerated when those charities received an extraordinarily high amount of private support for the ranked years. Betweeners increased their dependence on private support 0.55% each year, an increase of 13.2 percentage points over the study period. Persisters increased their dependence on private support 0.05% with each successive ranking, a total increase of a relatively small 1.2 percentage points over the study period. A one-way ANOVA test confirmed these three types have independent means at $p = 0.000$.[24] An independent samples t-test indicated that the trend in first differences between the Onetimers and both the Betweeners and Persisters were significant at $p = 0.000$, while the trend in first differences between the Betweeners and Persisters was not significant at $p = 0.131$.

[24] A statistically significant difference was measured between the three persistence types as determined by one-way ANOVA ($F(2, 72) = 51.609$, $p = 0.000$). A Tukey post-hoc test confirmed the independence of the persistence types with differences between the Onetimers and other two types at a level of $p = 0.000$ and the difference between the Betweeners and Persisters at a level of $p = 0.048$.

Figure 5.20. Changes in Dependence on Private Support



Trendline equations.	Onetimers	Betweeners	Persisters	All Ranked
	y = 0.011x + 0.41	y = 0.0055x + 0.23	y = 0.0005x + 0.21	y = 0.002x + 0.22

A contributing factor to the relatively low level of dependence on private support for Persisters is a slight majority of this type are colleges and universities along with hospitals and medical centers. Charities in these two fields comprise 51% of the Persisters and typically rely on private support for between 15-30% of their total income, figures elevated a little because a minority of these charities report financial figures only for their foundation rather than the entire institution.[25] Half of the Persisters in fields with relatively low dependence on private support may mask changes within this group, changes that will be considered at the individual charity level in the next subsection.

Another contributing factor for the small increase in the dependence on private support of Persisters is the constancy of the individual charities in this type compared to Betweeners and Onetimers. Persisters tend to increase their dependence on private support at a slow rate. While this finding supports the theoretical prediction, these changes occur slowly. The larger increases in dependence in private support for

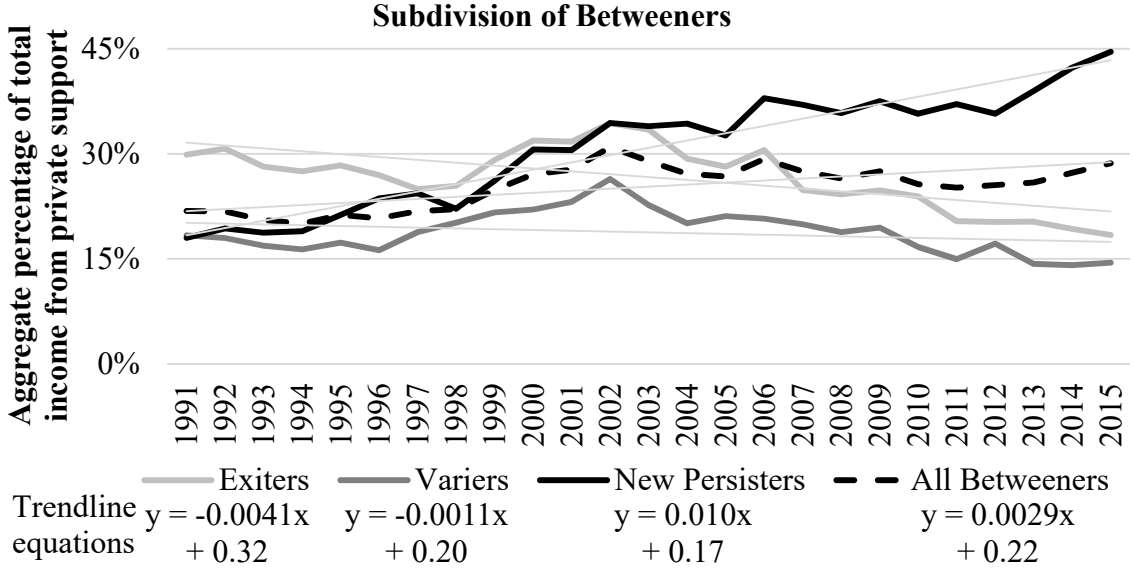
[25] Charities reporting total income only for their foundation rather than the entire institution included 3% of *Private Colleges & Universities* (n = 5 of 169), 31% of *Public Colleges & Universities* (n = 34 of 109), and 22% of *Hospitals & Medical Centers* (n = 24 of 111).

Betweeners and Onetimers are likely influenced by the changing between rankings of the individual charities included within these types. In order to enter the rankings in later years, when the inflation-adjusted value of the 400th ranking position was higher, many of the Onetimers entered the rankings by having extraordinarily high private support in those years rather than an increase in revenue from both private support and other revenue sources.

Subdivision of the Betweeners persistence type reveals the New Persisters subdivision increased dependence on private support, as shown in Figure 5.21. The increase in dependence on private support of 27 percentage points by the New Persisters represented a 148% increase over the study period. Both the Exiters and Variers subdivisions increased dependence on private support through the 2002 ranking, after which they decreased their dependence on private support. A one-way ANOVA test confirmed these three types have independent means at $p = 0.000$.[26]

[26] A statistically significant was measured difference between the three subdivisions of the Betweeners as determined by one-way ANOVA ($F(2, 72) = 30.003$, $p = 0.000$). A Tukey post-hoc test confirmed the independence of the subdivisions with differences between the Variers and other two subdivisions at a level of $p = 0.000$ and the difference between the Exiters and New Persisters at a level of $p = 0.027$.

Figure 5.21. Aggregate Dependence on Private Support Subdivision of Betweeners



A general trend of slightly increasing dependence on private support occurred among the ranked charities. Figure 5.22 graphs the deciles for dependence on private support. The deciles reflect the aggregated dependence on private support among the ranked charities each year and do not represent a panel examining changes in individual charities. The deciles are graphed with the y-axis quantifying the percentage of total income from private support. The upward trend across all deciles of each ranking indicates a broad-based increase in dependence on private support. The pattern of dependence on private support became increasingly condensed in the high deciles and remained relatively steady in the low deciles, while the middle deciles were broadly spaced. These findings are quantified in Table 5.3, discussed next, which confirms that the rates of change for the middle deciles are higher than for the low and high deciles.

Figure 5.22. Deciles: Aggregate Dependence on Private Support

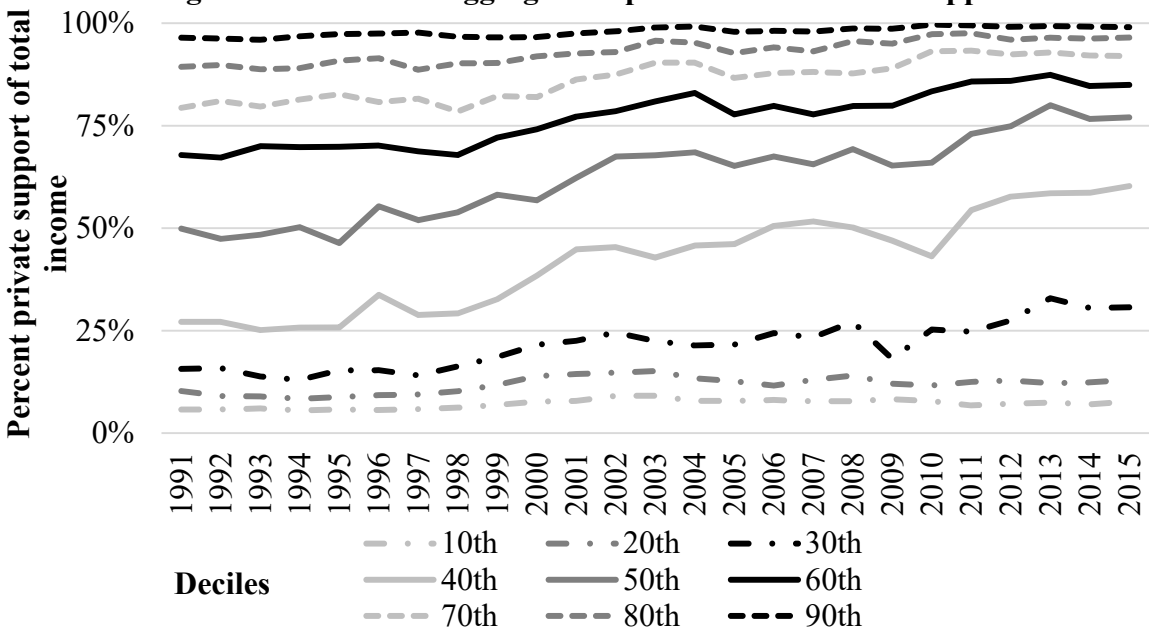


Table 5.3. Rate of Change for Deciles of Dependence on Private Support (slope of line)

Decile	Annual Rate of Change	Cumulative Change over Study Period Percentage Points
Min	-0.03%	-0.82
10%	0.09%	2.16
20%	0.17%	4.00
30%	0.71%	17.01
40%	1.55%	37.19
50%	1.31%	31.41
60%	0.86%	20.61
70%	0.62%	14.99
80%	0.37%	8.78
90%	0.14%	3.28
Max	0.01%	0.18

Table 5.3 reports mostly positive rates of change for the data graphed in Figure 5.22 for the deciles of dependence on private support, supplementing the data in the graph with the trend in dependence on private support. These annual rates of change are based on the slope of the trendline for each decile. The only negative value, for the rate of change for the minimum value of dependence on private support each year, means that at

least one charity that depends on private support for a small and decreasing amount of their total income is still able to make the rankings. A low percentage of total income received from an amount of private support high enough to be in the Philanthropy 400 indicates a charity with very high revenue. Charities reporting the lowest percentages of dependence on private support are mostly hospitals and medical centers.[27]

The highest and lowest deciles for dependence on private support have the lowest rates of change. At the high end, the increase in dependence on private support is limited by a charity not being able to depend on more than 100% of its total income from private support. At the low end, the persistence of numerous colleges and universities and hospitals and medical centers contributed to the steady levels of those deciles. The decile trends were increasingly clustered at the high end of dependence on private support, with five of the trendlines ending above 75% dependence on private support. In aggregate, the ranked charities increased their dependence on private support.

Changes in dependence on private support for individual charities. Aggregate figures for dependence on private support obscure changes for individual charities that address the hypotheses. Rate of changing dependence on private support is measured for each individual charity by the slope of the trendline connecting percentages of private support divided by total income for all data available, even for years the charities were not ranked. For instance, when total income was less than private support for individual charities, the figure for private support replaced the reported total income figure.

The magnitude of change in the slope combined with the persistence type adds depth to the analysis. Examination of the distribution of slopes of change in dependence

[27] *Dignity Health,* a hospital system based in San Francisco, most commonly reported the minimum percentage of dependence on private support, ranging between 1% and 2% of total income.

on private support revealed slopes in excess of +/- 0.01, a 10% change, coincided with charities increasingly moving away from a near-zero change in slope. Slopes between 0.01 and -0.01 were calculated for 740 charities with very little difference in slope between them, indicating their slopes were insufficiently different to warrant closer examination. A total of 151 charities had slopes greater than 0.01, and 190 had slopes less than -0.01. The remaining 20 charities had insufficient data to calculate a slope for dependence on private support. The population of charities with slopes calculated included 423 Onetimers, 471 Betweeners, and 187 Persisters. Table 5.4 summarizes the number of charities in each slope range. However, given the differing number of charities in each persistence type, examination of the percentage of charities in each slope range provides more easily compared data.

Table 5.4. Changes in Dependence on Private Support, Using All Available Data

Changing Dependence on Private Support, Number of Individual Charities by Type	Onetimers	Betweeners	Persisters	Total
Number with Slope >0.01	53	77	21	151
Number with Slope 0 to 0.01	114	169	99	382
Number with Slope <0 to -0.01	143	155	60	358
Number with Slope < -0.01	113	70	7	190

Note. 20 charities had less than 3 years of data available to calculate their dependence on private support. These 20 charities included 2 Persisters, 4 Betweeners, and 15 Onetimers omitted from this tabulation.

Table 5.5 summarizes the percentages of each persistence type in the different slope ranges. For slopes increasing more than 0.01, the percentages for the three persistence types are very close to one another. The same is true for slopes less than zero and as low as -0.01. The Persisters include a higher than expected percentage of charities with a slope between 0 and 0.01 and a lower than expected percentage of charities with a slope less than -0.01. The Onetimers have a slightly higher than expected percentage of charities with a slope less than -0.01. A chi-square test confirmed a statistically

significant association between persistence type and the slope of changing dependence on private support with a Pearson Chi-Square value of 70.953 and p = 0.000. The Phi and Cramer's V statistics were both also significant at p = 0.000.

Table 5.5. Percentage of Change in Dependence on Private Support within Types, Using All Available Data

Changing Dependence on Private Support for Individual Charities, Percentage of Type	Onetimers	Betweeners	Persisters	Total
Slope >0.01	12.5%	16.3%	11.2%	14.0%
Slope 0 to 0.01	27.0%	35.9%	52.9%	35.3%
Slope <0 to -0.01	33.8%	32.9%	32.1%	33.1%
Slope < -0.01	26.7%	14.9%	3.7%	17.6%

Note. Columns add to 100%, except for cases of rounding error.

These results indicate that Persisters are less likely to reduce their dependence on private support by more than -0.01 while Onetimers are more likely to similarly reduce their dependence on private support. More than half of the Persisters increased the slope between 0 and 0.01, indicating a slow, but positive, increase in dependence on private support. The greater percentage of the Onetimers than Persisters increasing their support by more than 0.01 suggests that the Onetimers have more volatile changes in their dependence on private support. This may be attributable to the Onetimers often receiving extraordinary amounts of private support, often two times or more than what they typically received in other years. The volatile changes are also reinforced by the small and declining number of Onetimers ranked each year.

Support for hypotheses H2a and H2b. In aggregate, ranked charities slightly increased their dependence on private support. The aggregate analyses insufficiently provided support for hypotheses H2a and H2b, regarding the change in dependence on private support related to duration in the rankings. The analyses of the changes in dependence on private support as a percentage of total income for individual charities

provided measures of significance, but the results presented ambiguous findings for hypotheses H2a and H2b.

H2a: The more years charities are ranked in the Philanthropy 400, the more they become dependent on private support as a percentage of total income due to resource rigidity and resource dependence.

H2b: The fewer years charities are ranked in the Philanthropy 400, the less they become dependent on private support as a percentage of total income due to factors including strategic management choices to diversify revenues and lack of capacity for generating private support.

In the aggregate, ranked charities increased their dependence on private support as a percentage of total income. Aggregated figures for all ranked charities in their entirety were consistent with figures by persistence type. However, since the individual charities change somewhat with each ranking, charities may only have entered the rankings in years that they depended more on private support than in other years. This increasing dependence on private support is reinforced by the increasing value of the 400th position, something that increases the difficulty for new charities to enter the rankings. Contributing to the weakness of the findings, the Persisters increased their dependence on private support with a slope of 0.0005, a lower amount than the wider population of charities shown in Figure 2.1, which had a slope of 0.0008.

The significance of the individual analyses revealed that the Persisters experienced fewer instances of declines exceeding -0.01 in the slope for dependence on private support, while Onetimers experienced more of these declines. The Onetimers had slightly more increases exceeding 0.01 in the slope for dependence on private support,

while the Persisters had slightly less. This reflects the volatility in the aggregate figures shown in Figure 5.20, in which the Onetimers had far more volatile changes in dependence on private support than the other persistence types. The majority of Persisters having a slope between 0 and 0.01 suggested a slow and steady increase in dependence on private support for these charities. At the end of this chapter, Table 5.6 summarizes the key findings as they support the hypotheses.

Share of Private Support Received by the Philanthropy 400

Change within the Philanthropy 400 indicates the importance of age of ranked charities and, to a lesser degree, changing dependence on private support. In the aggregate, charities entering the rankings have gotten younger, and these younger charities displaced older charities at the top of the rankings. Charities also tended to increase their dependence on private support. When considering change in private support received, this leaves the question of whether the charities ranked in the Philanthropy 400 increased their receipt of total U.S. giving. As previously shown in Figure 5.2, the aggregate amount of inflation-adjusted private support received by the charities ranked in the Philanthropy 400 increased during the study period. However, the rate of increase in private support received by the ranked charities may have differed from the rate of change in total U.S. giving.

Concentration of financial resources is expected at some point in all populations (Barron, 1999). According to population density theory, this concentration can be signaled by reduced net growth in the number of organizations in the population. At this point, the large organizations solidify their hold on the heart of a market and small organizations are relegated to specialist niches on the market fringe. Signaling a

reduction in the net growth of charities, the number of entries and exits of charities converged between 1990 and 2008, although entries still slightly exceeded exits (Lecy & Van Holm, 2013).

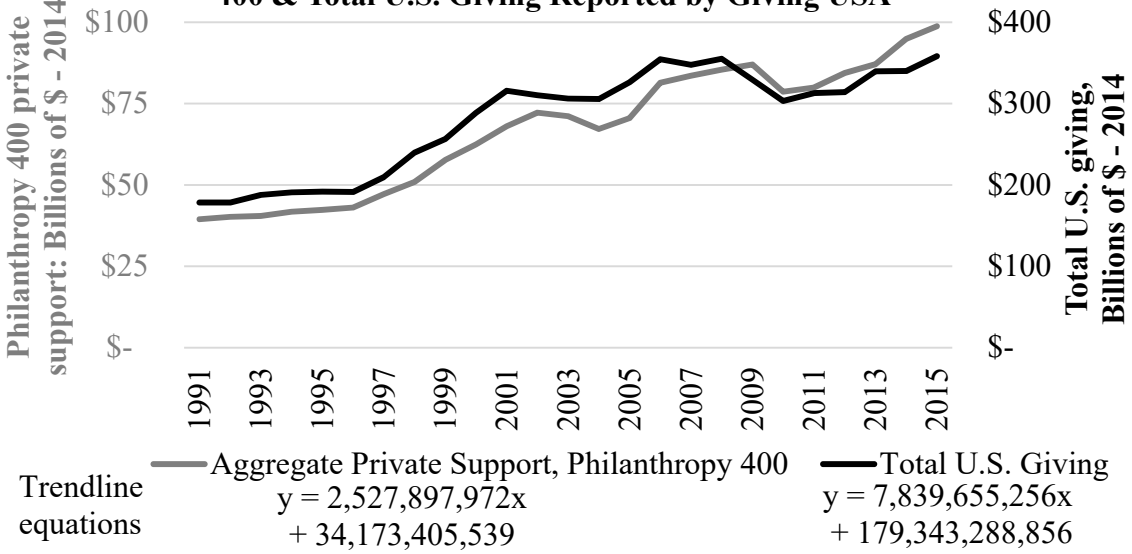
Increased competition can heighten concentration when access to financial resources tightens. According to mass dependence theory, slowing growth in available financial resources accentuates the competitive advantages of the large organizations in the population, such as access to resources, market power, and economies of scale and scope (Barnett & Amburgey, 1990). These competitive advantages result in increased concentration of financial resources among the large organizations.

In the most recent decade, total U.S. giving slowed its growth. Using the inflation-adjusted total U.S. giving for ranking year 2006 of $354 million and the comparable figure for 2015 of $358 billion, growth in giving during this decade was 1%, far less than the 70% growth in total giving during the preceding decade of ranking years 1996 to 2005, when giving increased from $192 billion to $326 billion (Giving USA Foundation, 2015). These decades had ups and downs in total giving, since both periods had significant economic recessions. The average annual year-to-year change in total U.S. giving from 2006 to 2015 was 1.1%, while from 1996 to 2005 it was 5.6%. Slowing growth in overall giving would tighten access to financial resources and suggest an increase in the concentration of private support, because large charities have competitive advantages to access scarce financial resources as predicted by mass dependence theory.

Percentage of total giving received by the Philanthropy 400. The aggregate private support received by the Philanthropy 400 is measured by figures for ranked charities. Total U.S. giving is measured by the total giving figures reported by *Giving*

USA (Giving USA Foundation, 2015). Figure 5.23 graphs the aggregate private support received by ranked charities on the left axis and *Giving USA* figures of total U.S. giving on the right axis during the study period in constant billions of 2014 dollars. Both trendlines move similarly. The 6.6% average annual growth rate and overall growth over the study period of 165% for the Philanthropy 400 compared favorably to the 4.0% average annual growth rate and 101% for overall growth for total U.S. giving. However, the trendline slope of 7.8 billion was greater for total U.S. giving than the slope of 2.5 billion for aggregate private support received by the Philanthropy 400.

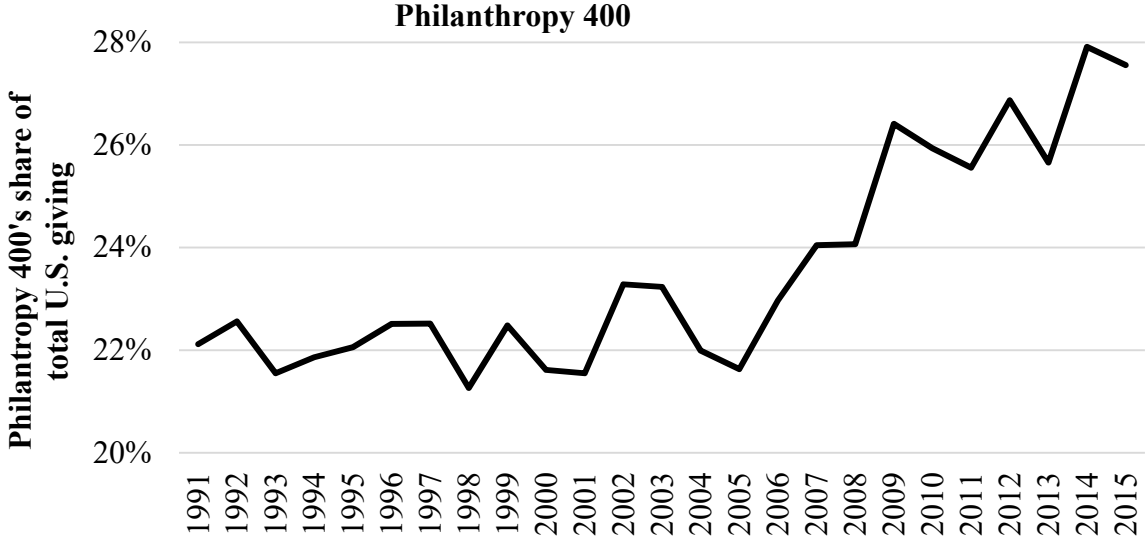
Figure 5.23. Aggregate Private Support Received-Philanthropy 400 & Total U.S. Giving Reported by Giving USA



Measuring the percentage of total U.S. giving received by the Philanthropy 400 reveals a changing share of private support. Figure 5.24 shows the percentage of total U.S. giving received by the Philanthropy 400, which did not change much between 1991 and 2005, fluctuating between 21% and 23%. However, starting in 2005, the percentage of total U.S. giving received by the Philanthropy 400 noticeably increased. During the study period, and especially in the most recent decade, the charities ranked in the

Philanthropy 400 received an increasing share of total U.S. giving, rising to levels of nearly 28% of total U.S. giving.

Figure 5.24. Percentage Total U.S. Giving Received by Philanthropy 400



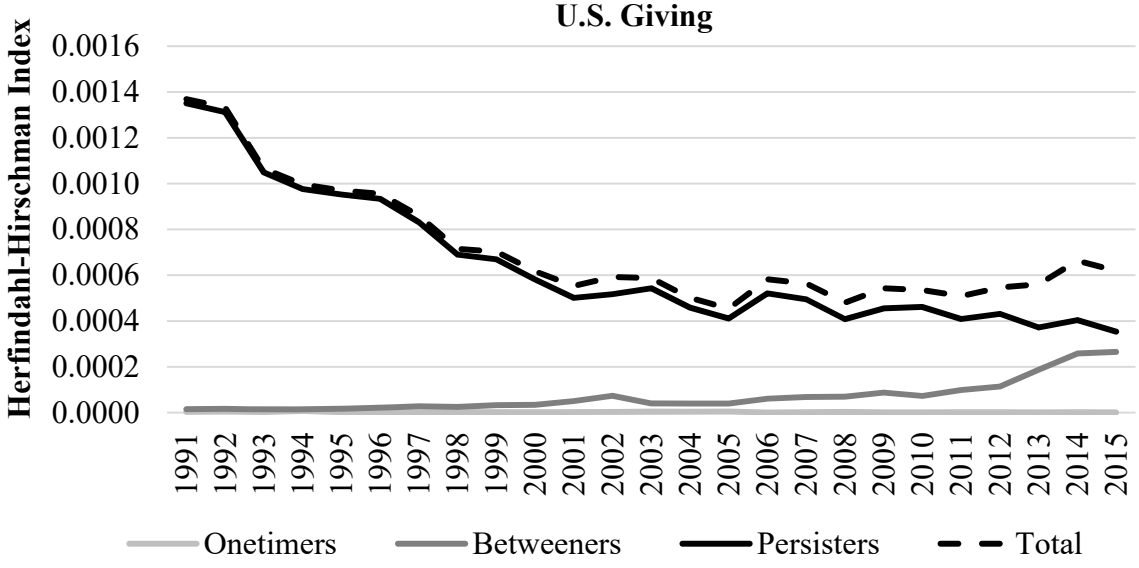
Concentration and competitiveness in total U.S. giving. The increasing share of total giving received by the Philanthropy 400 should be related to the level of concentration of giving for the entire population of charities. The market for giving is expected to have varying levels of concentration based on the changing relative sizes of charities. Similarly, measured concentration of giving will also be affected by changes in the size of the overall giving market based on the theory of mass dependence and the competitive advantages of large organizations. However, anything approaching a monopoly in private support is unlikely due to the diffuse nature of fundraising, the number of charities, and the widely varying interests of donors.

An estimate of concentration for the Philanthropy 400 relative to total U.S. giving was calculated for each year in the study period using a Herfindahl-Hirschman Index (HHI). This HHI used total U.S. giving as the overall market, with the Philanthropy 400 ranked charities serving as the basis for the market concentration. The HHI was

calculated using the sum of the squares of the market share of total U.S. giving received by the Philanthropy 400. In this case, the market share was the private support received by the individually ranked charities divided by total U.S. giving. The squares of each market share were summed for each ranked charity to calculate that year's HHI. Declining concentration measured by the HHI indicates increasing competition for private support. The threshold for a highly competitive market is an HHI below 0.01. The HHI for the Philanthropy 400's concentration in the U.S. giving market is well below 0.01 every year, indicating the market for private support throughout the study period was highly competitive.

Even if the HHI consistently indicates a highly competitive market, changes in concentration can be informative. As shown in Figure 5.25, the concentration of private support received by the Philanthropy 400 declined during the study period. However, the lowest level of concentration was in 2005, with a gradual increase since then. This low point corresponds in time with the start of an increasing share of total giving received by the Philanthropy 400 shown in Figure 5.24. Persistence types echo the patterns seen with the relative shares of private support received within the Philanthropy 400. The concentration of total giving received by the Persisters declined while the concentration of the Betweeners slightly increased.

Figure 5.25. Concentration: Philanthropy 400 Receipt of Total U.S. Giving

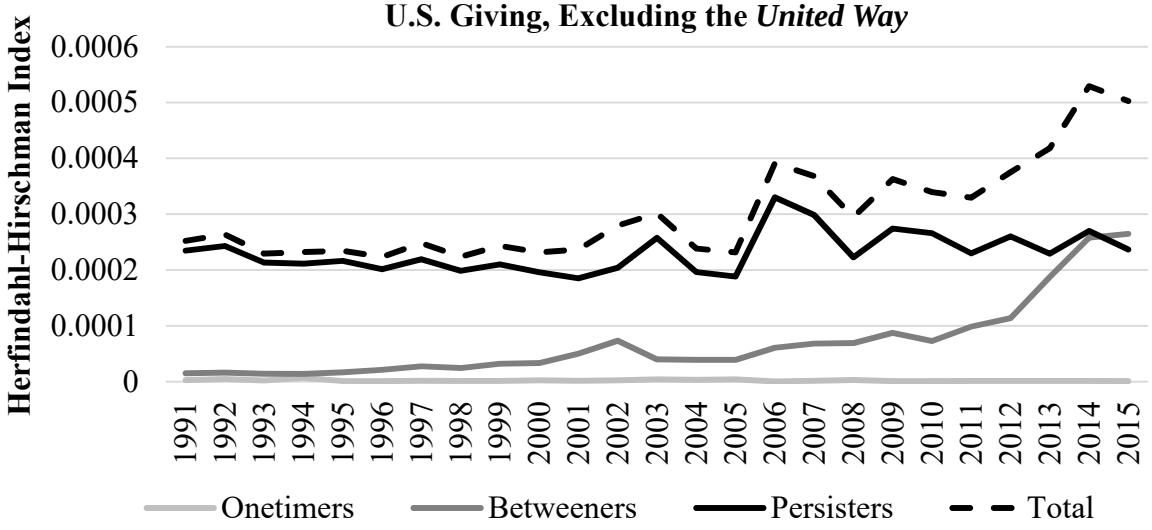


The use of the sum of the squares of the market shares to calculate the HHI most heavily weights the charities with the largest market shares of private support. The declining concentration of the Philanthropy 400 in terms of total U.S. giving indicates a declining concentration within the Philanthropy 400. The declining concentration for the Philanthropy 400's receipt of total U.S. giving measured by the HHI indicates increased competition within the Philanthropy 400. Most evident from 2005 and later, this increase corresponds with upward movement in the various trendlines for Betweeners and the Total.

Underlining the sensitivity of the value of the HHI to charities with the largest market shares of private support, Figure 5.26 displays the concentration of private support of the Philanthropy 400 compared to total U.S. giving, excluding the *United Way*. This graph is considerably different from the previous figure, with the Persisters and Onetimers mostly maintaining a stable concentration, while an increase in the concentration generated by the Betweeners was paralleled by an increase in the total concentration. Since the *United Way* remains a vibrant organization, excluding them from

the calculations would be inappropriate and is done here simply to illustrate the impact of the largest charity on the changes in concentration among the Philanthropy 400. The influence of the omission of the largest charity is quite evident. The trend for Persisters is fairly flat, with a slight increase. The trend for the Total population rises during the study period. These results are considerably different from the sharp declines seen for these variables in Figure 5.25 and are presented here only for comparison purposes.

Figure 5.26. Concentration: Philanthropy 400 Receipt of Total U.S. Giving, Excluding the *United Way*

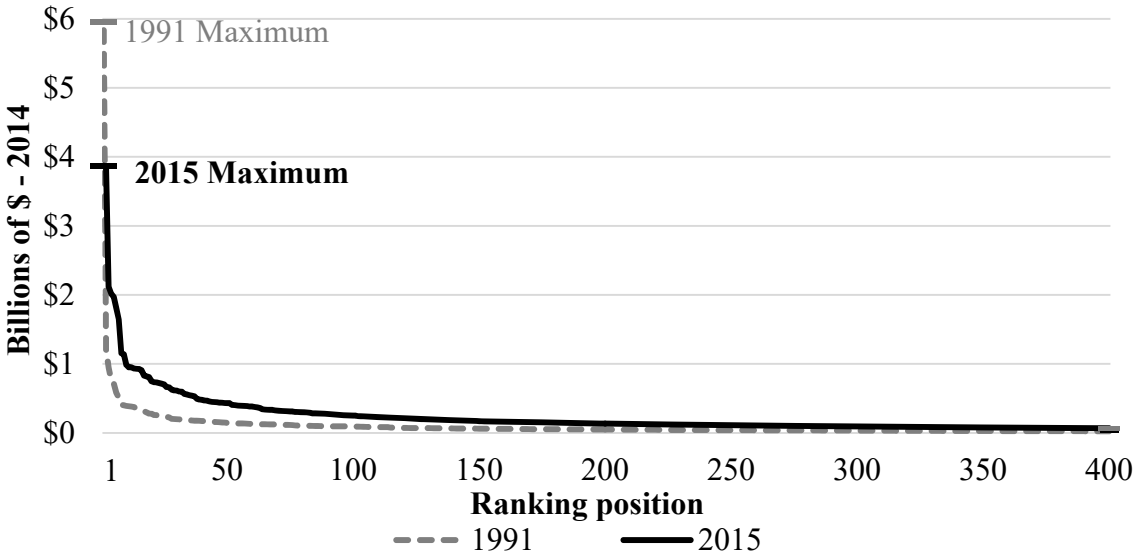


Distribution of private support among the Philanthropy 400. The declining concentration within the Philanthropy 400 indicates that the difference between the charity receiving the most private support and the charity in 400th position decreased. The increasing value of 400th position indicates that charities at the bottom of the rankings received increasing private support. However, the increase of private support received at the bottom of the rankings does not restrict the charities receiving the most private support from also increasing the amount of private support they receive.

The decline in concentration within the Philanthropy 400 was accompanied by increasing competition among these charities. As shown in Figure 5.27, the distribution

of private support within the Philanthropy 400 changed in several significant ways during the study period on an inflation-adjusted basis. The maximum private support in 1991 exceeded by $2 billion the maximum private support in 2015. As well, the curve from the vertical portion of the graph transitioning to the horizontal portion started at a much lower level in 1991 than in 2015. Fewer charities in 1991 than in 2015 received significantly more private support than most of the other ranked charities. The inflation-adjusted private support received by charities ranked lower than 10th position in 1991 was consistently lower than the similar figures for charities ranked in 2015.

Figure 5.27. Distribution of Private Support, Philanthropy 400



These observations indicate a growing convergence of private support received among the ranked charities. The increasing competition represented by a decreased difference in private support received by the highest and lowest ranked charities is consistent with the increasing competition measured by the HHI indices.

Private support distribution among the Philanthropy 400. Confirming the differences in the distribution of private support among the Philanthropy 400 further explains the concentrations measured by the HHI. Measuring those differences helps

explain how the HHI concentrations declined while the share of total U.S. giving received by the Philanthropy 400 increased.

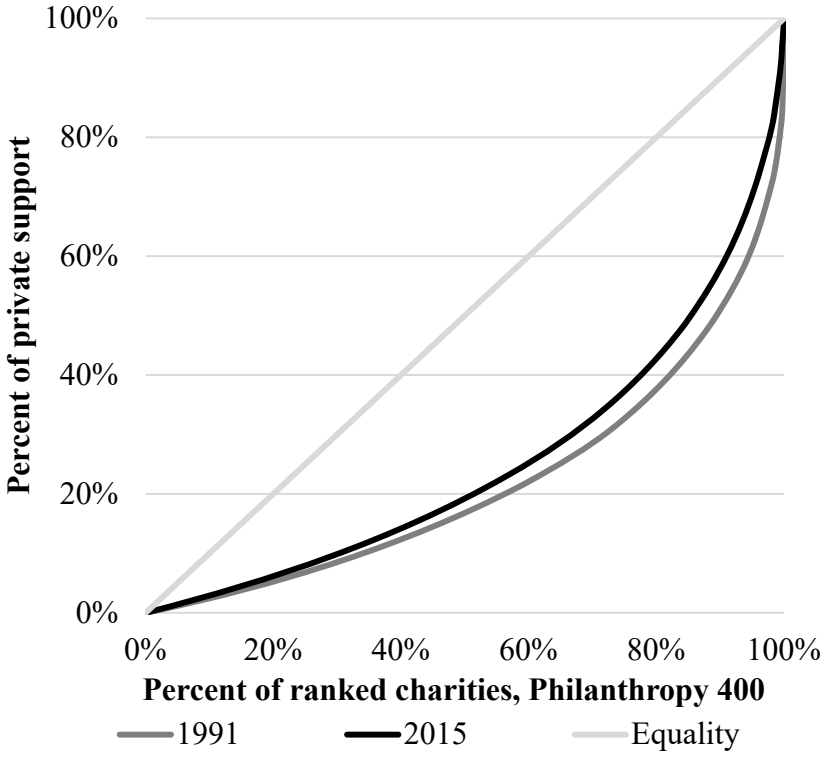
Another common method of measuring differences in the distribution of financial resources within a population is the use of a Lorenz curve and a Gini coefficient. A Lorenz curve measures the proportion of a financial resource received by a portion of a population (Gastwirth, 1972). A Lorenz curve is drawn by plotting the relative proportions of financial resources along with the line where complete equality would exist in the distribution of the financial resource in the population. The Gini coefficient is a ratio of the area between the Lorenz curve and the line of equality. The Gini coefficient is a number between 0, representing complete equality, and 1, representing complete inequality (Gastwirth, 1972; Gini, 1997).

The Lorenz curves for 1991 and 2015 are presented in Figure 5.28. In this figure, the curve for distribution of private support among the Philanthropy 400 in 1991 is further from the equality line than the 2015 curve, indicating greater differences in the distribution of private support in 1991 compared to 2015. This change in differences in distribution of private support is consistent with the distributions of private support graphed in Figure 5.27. A one-way ANOVA test comparing the 1991, 2015, and line of equality curves confirmed these three curves have independent means at $p = 0.000$.[28] Isolating the difference between the 1991 and 2015 curves, a separate one-way ANOVA test confirmed these two curves have independent means at $p = 0.033$.[29]

[28] A statistically significant difference was measured between the three curves as determined by one-way ANOVA ($F(2, 1200) = 165.063$, $p = 0.000$). A Tukey post-hoc test confirmed the independence, with differences between the 1991 and 2015 curves and the line of equality at a level of $p = 0.000$. However, the difference between the 1991 and 2015 curves was not significant at a level of $p = 0.152$.

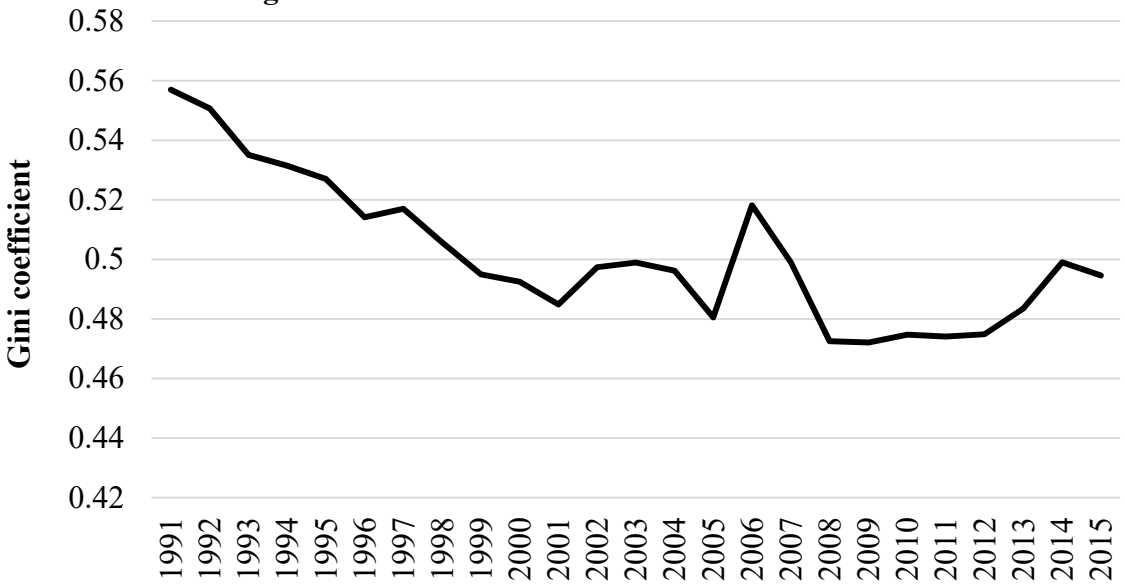
[29] A statistically significant difference was measured between the two curves as determined by one-way ANOVA ($F(2, 800) = 4.576$, $p = 0.033$).

Figure 5.28. Distribution of Private Support Received by the Philanthropy 400



The Lorenz curve calculations were used to calculate Gini coefficients that measured the changing differences in the distribution of private support within the Philanthropy 400. A Gini coefficient was calculated for each year. A trend for the study period depicted in Figure 5.29 confirms the declining differences in the distribution of private support among the charities ranked in the Philanthropy 400 during the study period. This line is not entirely smooth, due to some years in which a number of individual charities received a particularly large amount of private support. For instance, in 2006, the increase in the Gini coefficient was influenced by increased giving to certain charities like the *American Red Cross* in the wake of Hurricanes Katrina and Rita along with the $1.5 billion Kroc bequest to the *Salvation Army*. An increase in the Gini coefficient since 2012 is consistent with the increasing concentration within the Philanthropy 400 during the same period.

Figure 5.29. Gini Coefficient for Ranked Charities



Support for hypothesis H3. These analyses provide support for hypothesis H3.

H3: Charities ranked in the Philanthropy 400 should increase their share of total U.S. giving with the slowing growth in number of charities and slowing growth in total U.S. giving.

The different ways used to measure the share of private support received by the Philanthropy 400 are consistent with hypothesis H3. The Philanthropy 400 received an increasing percentage of total U.S. giving during the study period. The change in receipt of total U.S. giving by the Philanthropy 400 corresponded with the increasing aggregate private support received by the Philanthropy 400 and the slowing growth in total U.S. giving in the last decade. Comparing the percentage changes to the concentrations measured by the HHI introduced complexities into the analysis. However, resolving issues related to the complexities added support to hypothesis H3, regarding the increasing share of total U.S. giving received by the Philanthropy 400.

At first impression, the declining concentration of total U.S. giving received by the Philanthropy 400, as measured by the HHI, appears to contradict the finding of an increasing percentage of total U.S. giving received by the Philanthropy 400. However, the declining concentration of private support received among the Philanthropy 400, driven primarily by the declining private support received by the *United Way*, explains the apparent contradiction. The flattening of the distribution of private support between the charities ranked first and 400th reflects a relative decline in the private support by the top-ranked *United Way* in relation to the increasing amount of private support received by the 400th ranked charity over the study period. The flattening distribution indicated a decline in the differences in the distribution of private support within the Philanthropy 400.

The declining differences were confirmed by plotting the Lorenz curves and calculating the Gini coefficients. Since the HHI is particularly sensitive to the share of private support received by the largest charities, the declining concentration measured by the HHI can be explained by the decreasing differences in the distribution of private support among the Philanthropy 400. The decreasing concentration, and corresponding increasing competition, within the Philanthropy 400 had the net effect of increasing the share of total U.S. giving received by ranked charities, since the increases in private support received by charities in the lower positions within the top 400 more than offset the relative decline in private support received by the top-ranked charity.

These explanations of the apparent contradictions between the increasing percentage of total U.S. giving received by the Philanthropy 400 and the declining concentration measured by the HHI are bolstered by timing coincidences between the two

trends. The share of total U.S. giving received by the Philanthropy 400 was relatively steady for the first 15 years of the study period and then dramatically rose in the last decade. In parallel, the HHI measured declining concentration for the first 15 years of the study period, followed by a gradual increase in the last decade. These timing coincidences indicate that these two measures examined parallel changes in different ways.

The market for private support is competitive. However, these observations support hypothesis H3, regarding the increasing share of total U.S. giving received by the Philanthropy 400. Coincident with the slowing growth in total number of 501(c)(3) charities and of total U.S. giving in the last decade, the charities ranked in the Philanthropy 400 received an increasing percentage of total U.S. giving. At the end of this chapter, Table 5.6 summarizes the key findings as they support the hypotheses.

Conclusion

The hypotheses were supported to varying degrees by the empirical evidence. Supporting hypothesis H1a that younger charities would rise in the rankings due to their fit with the contemporary environment, younger charities rose in the rankings. Persistence of 189 charities in the rankings gave partial support to hypothesis H1b that older charities would remain at top positions within the rankings due to their institutionalized processes. Disconfirming the second half of hypothesis H1b that younger charities would not be able to displace older charities, older charities fell in the rankings as younger charities rose. The displacement of older charities by younger charities happened in the rankings overall for age, with the median age of new entrants to the rankings declining more quickly than charities ranked for the last time. Younger

charities increased their concentration of private support received by the Philanthropy 400, while older charities decreased their concentration. This pattern was echoed by younger Betweeners increasing their share of private support received, while older Persisters decreased their share. The subdivision of the Betweeners reinforced these findings, with the New Persisters declining in median age due to increasingly young entrants along with an increasing amount of private support received. Displacement also happened at the highest positions in the rankings, as younger Betweeners rose in the rankings and older Persisters fell. These findings confirmed that younger charities rose within the rankings and older charities fell.

Supporting Hypothesis H2a that charities ranked longer in the Philanthropy 400 would become more dependent on private support, dependence on private support increased in the aggregate for ranked charities. Increased dependence was seen in the aggregate across all deciles and among the persistence types. At the individual charity level, a lower percentage of Persisters had an extreme decline in dependence on private support, while a higher percentage of Onetimers both decreased and increased their dependence on private support. These findings reflected the increased volatility within the Onetimers. While these findings supported the hypothesis that the longer charities were ranked in the Philanthropy 400, the more dependent they became on private support as a percentage of total income, the support was somewhat ambiguous and weak. The Persisters increased their dependence on private support to a lesser degree than the wider population of charities examined in Figure 2.1. Because the same findings were used to test hypothesis H2b, the support was also ambiguous for hypothesis H2b that the fewer years charities were ranked would result in declining dependence on private support.

Supporting hypothesis H3 that the charities ranked in the Philanthropy 400 would increase their share of total U.S. giving, the percentage of total U.S. giving received by the Philanthropy 400 increased. The majority of observations of concentration of financial resources among charities in other studies have been measured with percentages. While concentration of private support measured by the HHI appeared to contradict the initial finding, the declining concentration of private support received by the Philanthropy 400 was related to the increasing equality in the distribution of private support among the Philanthropy 400. The increased competitiveness for private support among the Philanthropy 400 had the net effect of increasing the share of total U.S. giving received by the charities ranked in the Philanthropy 400. Coincidences in the timing of changes in the percentage and concentration calculations underlined that the two measures used different methods to examine similar phenomena. Resolution of the apparent contradictory findings confirmed that the increasing private support received by the Philanthropy 400 indicated receipt of a larger percentage of total U.S. giving.

Table 5.6 summarizes results and whether or not they support the hypotheses. In some cases, the support is strong. In other cases, the support is more ambiguous.

Table 5.6. Summary of Key Results and Relation to Hypotheses

Results	Relation to hypothesis
Results for Hypotheses H1a and H1b	
The median age of ranked charities declined over the study period.	Supports first half of hypothesis H1a that younger charities rose into the rankings.
The declining median age was driven by Betweeners and Onetimers. Since the Onetimers declined in appearance in the rankings over time, the most important group influencing age was the New Persisters, within the subdivision of the	

Betweeners. Of the New Persisters, two-thirds were 40 years or younger when they were first ranked.	
In the 400 ranking positions, the same 189 charities were in nearly every ranking. This is nearly half of the ranking positions.	Supports first half of hypothesis H1b, regarding older charities remaining atop the rankings. Other results refute the second half of this hypothesis, that younger charities are unable to displace older charities in the rankings.
Charities entering the rankings had a declining median age that dropped faster than the median age of the charities they replaced in the rankings.	Supports the second half of hypothesis H1a, which older charities fall in the rankings due to the liabilities of aging.
The Betweeners subdivision of Exiters rose in median age.	
Betweeners rose in the rankings in aggregate, replacing Persisters in both the top 10 and 200 ranking positions.	Supports the entirety of hypothesis H1a and refuted hypothesis H1b.
Betweeners received an increasing share of private support for charities ranked in the Philanthropy 400, while Persisters received a decreasing share.	
Persisters were older than Betweeners, with a median age approximately twice as old.	
The oldest charities in the study population reduced the concentration of private support received, while the youngest charities rose slightly.	
Results for Hypotheses H2a and H2b	
Slight upward trend found for dependence on private support for all ranked charities in aggregate.	Directional support for hypothesis H2a.

General upward trend found for dependence on private support for deciles of all ranked charities in aggregate.	Directional support for hypothesis H2a.
More individual Persisters increased their dependence on private support than decreased their dependence on private support.	Directional support for hypothesis H2a.
More individual Onetimers decreased their dependence on private support than increased their dependence on private support.	Directional support for hypothesis H2b.
Persisters increased their dependence on private support at a lower rate than the increase in private support for the broader population of charities.	Weakens support for hypothesis H2a.
Results for Hypothesis H3	
Increasing percentage of total U.S. giving received by the Philanthropy 400 coincided with declining net growth in total number of charities and slowing growth in total U.S. giving.	Supports hypothesis H3.
A competitive market for giving exists among the Philanthropy 400 by virtue of the declining measure for the HHI and declining differences in the distribution of private support received by the charities ranked in first position versus 400th position. The value for first position in the rankings declined between 1991 and 2015, while the value of private support received by the charity in 400th position increased.	Tangential support for hypothesis H3 that indicates broad-based increase in the ability to raise large amounts of private support.

In the concluding chapter, these results will be discussed in light of the underlying organizational ecology theory. This final chapter also discusses limitations of this study and points to directions for future research.

Chapter 6: Discussion and Conclusions

The results presented in Chapter 5 revealed a number of important findings. Despite its apparent stability, the Philanthropy 400 is a dynamic group. While nearly half of every ranking is occupied by the exact same 189 Persisters, younger Betweeners began to displace this older group of charities at the top of the rankings. Betweeners increasingly entered the top 10 and top 200 ranking positions. Within the Betweeners, New Persisters emerged to occupy, combined with the Persisters, as many as 331 of the top 400 ranking positions (83%). The decrease in age among the entering New Persisters helped to drive an overall decline in median age within the Philanthropy 400. Charities entering the rankings were younger than the charities they replaced. While the number of new entrants to the rankings declined, no guarantee exists that current Persisters will remain in the rankings indefinitely. Increasingly young charities attracted among the highest values of private support and often continued to do so over many years. These younger charities often addressed new causes or offered novel approaches to long-standing social problems. For instance, *Gay Men's Health Crisis* was founded in 1982 in response to the AIDS epidemic and was first ranked in 1992. *Teach for America* was founded in 1990 to strengthen poorly performing schools and was first ranked in 2006. *Year Up* was founded in 2000 to close the employment opportunity gap for at-risk students and should be ranked in 2016.

The persistence of many charities in the rankings contributed to a decline in the entry of Onetimers. Many of the Onetimers entered the rankings by virtue of an extraordinary year in which the private support a charity received was two or more times the typically received amount of private support. These extraordinary years generally

only lifted the Onetimers into the lower half of the rankings. Several coinciding trends contributed to the decline in Onetimers in each succeeding ranking. The aforementioned persistence of other charities left fewer positions in which to be ranked, and these persisting charities received increasing amounts of private support over the study period, more than tripling the inflation-adjusted amount of private support needed to reach the 400th position in the rankings. These trends suggest that sophisticated and sustained fundraising programs are required to persist in the Philanthropy 400 and perhaps, in the future, to even enter the rankings.

During the study period, the amount of private support received by the broad population of charities rose as a percentage of total income. During this period of overall increasing dependence on private support, the Philanthropy 400 increased its share of total U.S. giving. This increased concentration of private support into the control of a relatively small number of charities has multiple interpretations. First is that concentration may limit access to private support essential to many smaller charities. Second is the increasing private support to specific charities allows them to grow to a scale required to solve persistent social problems. Third is specialization within fundraising that allows charities to tap into previously underutilized sources of private support and, in many instances, pass those resources on to other charities. Fundraising specialization by charities that provide private support to other charities has a long history, with federated giving and community foundations dating back over a century. The middle of the 20th century witnessed the beginning of a proliferation of health advocacy charities sponsoring research and treatment of specific diseases at other charitable institutions. More recently, specialists focused on in-kind giving and sponsors

of donor-advised funds have made significant increases in both the number of charities pursuing these tactics and their ability to attract private support that is then passed on to other charities. A combination of small charity private support limitations, large charity scaling, and fundraising specialization may be occurring simultaneously.

These findings involving age, dependence on private support, and concentration of private support among the Philanthropy 400 revealed distinct patterns worthy of further discussion and exploration. In the following discussion, each of the findings will be reviewed for the consistency of the findings with the organizational ecology theories establishing the framework for analysis. However, this dissertation has limitations in both the data used and the analytical methods employed. These limitations can be addressed with future research. This chapter concludes with a summary of some implications of this research and a review of the study of trends.

Age

Organizational ecology theory makes two competing predictions about age and organizational fate. Younger organizations have advantages of a better structural fit with the contemporary environment and disadvantages of the liability of newness. Older organizations have advantages of institutionalized processes. Disadvantages for older organizations include the liabilities of aging, both senescence and obsolescence. This pair of theories predicts that organizations become less able to change and remain both competitive and relevant in the current environment (Baum, 1989; Baum & Shipilov, 2006).

Analysis of 25 years of Philanthropy 400 rankings supported the theoretical predictions for advantages of younger organizations and some disadvantages of older

organizations. One finding supporting the advantages of older organizations was the persistence of 189 charities in the rankings. Supporting the advantages of younger organizations was the declining age of ranked charities. The median age of ranked charities fell, despite nearly half the positions occupied by the same charities in nearly every ranking. The median age of newly ranked charities declined throughout the study period, and these progressively younger new entrants to the rankings replaced older charities that exited. Even though the charities exiting successive rankings declined in median age, the median age of new entrants declined faster. This shift in age means some donors backed some younger organizations with enough private support to make the rankings, suggesting effective solicitation efforts, an evolution in the way donors evaluated charities, and younger charities' better fit with their environment. The trend for younger charities entering and remaining in the rankings was most evident among the New Persisters. This subdivision of the Betweeners not only declined in median age but also increased the amount of private support received. These findings confirmed that increasingly young charities entered the rankings, while older charities exited.

The changes in age-related market shares of private support confirmed the rise of younger charities and fall of older charities. The Herfindahl-Hirschman Indices (HHIs) for charities in three age groups – those founded in 1911 or before, those founded in 1972 or after, and those founded between these years – illustrated that, throughout the study period, older charities reduced their share of private support received by the Philanthropy 400. Younger charities equaled the older charities with a slightly higher HHI in 2015, indicating the younger charities had a higher share of private support. These changes were reinforced by repeating the HHI calculations excluding the *United Way*, an older

charity with a leading but steadily declining share of private support. These changes established that younger charities began to receive more private support than older charities, indicative of younger charities rising in the rankings.

Persistence in the rankings was related to age. The persistence of 189 charities in the rankings reinforces the theoretical prediction that older charities have institutionalized systems that lead to predictability and reliability. These characteristics help to build relationships with donors seeking to generate a specific outcome with their private support. However, changes in ranking position by persistence type supported the theoretical prediction of younger charities rising in the rankings and older charities falling. Persisters were ranked 24 or 25 years, Onetimers were ranked one or two years, and Betweeners were ranked from three to 23 years. The median age of 58 years in 2015 for all Betweeners was considerably younger than the 110 years for all Persisters. The younger Betweeners rose in the rankings, while the older Persisters fell. In the overall rankings, the younger Betweeners rose in their highest ranking, first and third ranked quartiles, and the median ranking. At the same time, the older Persisters fell in their first and third ranked quartiles, the median ranking, and the lowest rank.

Simultaneously, the Betweeners began entering the top of the rankings in increasing numbers. Of the nine Betweeners entering the top 10 positions, one was founded in 1954, two were founded in the 1980s, and six were founded in the 1990s.[30] Even the oldest of these high-rising Betweeners was just over half the median age of the Persisters. The Betweeners, a group including increasingly young new entrants, began to

[30] These charities include, listed in order of founding, the *Silicon Valley Community Foundation, National Christian Foundation, Task Force for Global Health, Fidelity Charitable Gift Fund, Stowers Institute for Medical Research, Lutheran Services in America, Vanguard Charitable Endowment Program, Tulsa Community Foundation,* and *Schwab Charitable Fund.*

displace the Persisters at the top of the rankings. The displacement of Persisters by Betweeners within the rankings was reinforced by Betweeners receiving an increasing percentage of private support received by the Philanthropy 400 and the Persisters receiving a decreasing percentage. These findings established that younger charities rose within the rankings, while older charities fell.

The subdivision of the Betweeners reinforced these overall findings. The younger New Persisters decreased in age, increased their receipt of private support, and rose in the rankings, while the older Exiters did exactly the opposite. The decline in age of the New Persisters exceeded the decline in age of all other groups by a significant margin. Similarly, the increase in private support received by the New Persisters accounted for nearly all of the increase in private support received by the Betweeners.

These observations confirm that the advantages contributing to rising ranking positions for younger charities, which are better suited to the current environment, were complemented by the disadvantages affecting older charities. The Persisters, considerably older than the other ranked charities, occupied most of the highest positions in the first 14 rankings, but began to fall from those places during the most recent decade. This fall is related to the liabilities of aging: senescence and obsolescence. Understanding senescence would require detailed study of the operation of individual charities. An example supporting the liability of obsolescence is federated giving, which appears to be declining in popularity. At the same time, giving to sponsors of charitable donor-advised funds, either commercially affiliated, nationally focused, or through community foundations, appears to be increasing in popularity. While the leading federated giving organization, the *United Way,* maintained its position as the top-ranked charity

throughout the study period, its receipt of private support during the 25 years studied declined on an inflation-adjusted basis by over $2 billion. Other charities increased their private support to the point that the *United Way* may cede the top position in the rankings to the far younger *Fidelity Charitable Gift Fund* in the near future. Similarly, only five of the 23 individually ranked *Jewish Federations* rose within the rankings and only one of those five appeared in all 25 rankings during the study period. Increased competition likely contributed to the relative decline for federated giving charities, with donors finding other charities that more precisely matched their philanthropic interests, obviating the need to give to a general fund that makes gift allocation decisions for donors. This explanation is consistent with the rise in giving to sponsors of donor-advised funds, giving vehicles that allow more donor input into the ultimate recipient of the gift than federated giving.

Another explanation for the fall of older Persisters is slowed growth of individual charities. Sometimes charities grow to the point that additional growth requires a costly structural adjustment to either develop new programs or expand existing programs. Costs may be incurred to hire new staff, establish new offices, or expand into new territories. This growth likely would be funded in some measure by private support, and this growth in private support faces increasing costs to expand fundraising, in which additional solicitations generate ever-smaller amounts of private support. One example of a charity with a consistent level of private support is the *March of Dimes,* which on an inflation-adjusted basis since the mid-1960s has maintained a steady level of private support.[31] Younger charities may grow larger than older charities that maintain a steady size,

[31] This observation arose from a review of all the annual reports of the *March of Dimes* since its inception in 1938.

displacing them in the rankings. Reflecting this type of decline, the *March of Dimes* fell from ranking position 30 in 1991 to 138 in 2015.

The terms *younger* and *older* are relative descriptors. These terms do not mean that the absolutely youngest charities rose the fastest and the oldest charities fell the fastest. In general, the youngest and oldest charities did not have the most dramatic changes in their receipt of private support. The youngest charities may not rise the fastest because systems required to execute programs and attract funding may take years to develop. This structural inertia can then benefit a charity for many decades before a charity's mission becomes obsolete or the liability of senescence hampers the organization. Similarly, the oldest charities may have systems that continue to adapt and function well within the context of their environment in comparison to peers, including somewhat younger charities. Some of these changes may be related to other measureable characteristics for charities that influence their adaptability to a changing environment.

Dependence on Private Support

Organizational ecology theory predicts that organizations become more dependent on critical resources externally through resource dependence and internally through resource rigidity (Gilbert, 2005; Pfeffer & Salancik, 1978). Based on their receipt of such a relatively large amount of private support, charities ranked in the Philanthropy 400, especially charities repeatedly in the rankings, must place importance on private support. Otherwise, these charities would probably not receive enough private support to enter or remain in the rankings. Adding nuance to the aggregate findings, individual charities demonstrated some extreme changes in dependence on private support. Consistent with theory, Onetimers had more charities decrease their dependence on private support by

more than 10%, while Persisters had fewer charities decrease their dependence on private support by more than 10%. At the same time, more Onetimers increased their dependence on private support by more than 10% than Persisters, which indicates high volatility in the revenue streams of Onetimers. Persisters mostly increased dependence on private support between zero and 10%, indicating a slow and steady increase.

Aside from the constant change of the individual Onetimers ranked, an explanation for this increasing dependence on private support is the refinement of fundraising programs within charities. The development of relationships between charities and donors often takes a lot of time and can result in progressively larger gifts. Identifying potential donors may improve, based on knowledge of what appealed to existing donors and introductions to new donors by current supporters. Successful approaches to fundraising can be replicated and expanded throughout an organization. However, limits to the extent of the expansion may exist for these sorts of fundraising approaches.

Using the example of the *March of Dimes* again, this charity has always depended primarily on relatively small gifts from many donors. Specialization in this type of solicitation may improve the efficiency and effectiveness in generating private support. Refining and replicating successful programs can then increase the charity's dependence on private support. However, even successful programs can encounter competitive pressures that limit their expansion and result in increasing costs that may limit increases in private support.

The collective increase in dependence on private support as a percentage of total income merits further exploration. Over the study period, Persisters increased their

collective dependence on private support 1.2 percentage points. The increased dependence on private support by the Persisters was less than the 2.0 percentage point increase in dependence on private support for the broader population of charities, as depicted in Figure 2.1. Confirming this, the slope of the increase for the dependence on private support of 0.0005 for the Persisters was lower than the slope of 0.0008 for the broader population of charities. This suggests that the increase in private support by the Persisters may have simply reflected the general trend, reflective of the term *a rising tide lifts all boats.* While the dependence on private support for Betweeners increased 13.2 percentage points and for Onetimers 27.1 percentage points, the changing identity of the actual ranked charities and exceptional years of giving for Onetimers influenced both of these figures. Individual charities in these types were not constantly in the rankings and inclusion in the rankings appeared to increasingly rely on a higher dependence on private support, especially as the amount of private support for 400th position increased.

Two factors may influence the higher value observed for the increase in dependence on private support among the broader population of charities depicted in Figure 2.1 compared to the Persisters. The first is the inclusion in the calculation of an increasing number of small charities. This increase occurred because the calculation includes all charities required to file a Form 990, and the rate of inflation lowers this threshold every year. Second, since smaller charities are generally more dependent on private support as a percentage of total income (Bowen, Nygren, Turner, & Duffy, 1994; Horne, 2005; Kim, Perreault, & Foster, 2011; Lecy & Van Slyke, 2012; Meckstroth & Arnsberger, 1998), a majority of their income is from private support, which would drive up the percentage of dependence on private support.

Total U.S. Giving Received by the Philanthropy 400

Concentration of financial resources is expected at some point in all populations (Barron, 1999), and concentration is more likely to increase with favorable conditions. Within organizational ecology, population density predicts that the concentration of financial resources will be accentuated when the net growth in the number of organizations in a population approaches zero (Carroll & Hannan, 2000). Similarly, mass dependence predicts that slowing growth of overall financial resources favors the competitive advantages of large organizations, leading to increased concentration (Barnett & Amburgey, 1990). The slowing net growth of both the number of charities through 2008 (Lecy & Van Holm, 2013) and total U.S. giving in the most recent decade (Giving USA Foundation, 2015) point to conditions favorable for increasing concentration of private support among the largest charities. This theoretical prediction was confirmed by the increasing percentage of total U.S. giving received by the Philanthropy 400 and measures of increasing competition within the Philanthropy 400.

In the analyses, measures revealed shifts in concentration and competition in the market for private support over the study period. The changing concentration in the distribution of private support within the Philanthropy 400 corresponded in time with the changes in percentage of total U.S. giving received by the Philanthropy 400. Much of the decline in concentration and increase in competitiveness occurred in the first 15 years of the study period. Since 2005, both the increasing percentage and concentration of total U.S. giving received by the Philanthropy 400 rose together. These relative increases for the Philanthropy 400 corresponded in time with the slowing net growth in the number of charities through 2008 (Lecy & Van Holm, 2013) and the slowing growth in total U.S.

giving in the most recent decade (Giving USA Foundation, 2015). The relationship between these corresponding trends merits further exploration to improve understanding of the relationship between the growth in number of charities, total U.S. giving, and the impact of changing growth rates on the concentration of private support among large charities.

The charities in the Philanthropy 400 became increasingly competitive with one another. Reflecting this competition were the changing concentration measured by the HHI and increasing equality in the distribution of private support among the Philanthropy 400 measured by the Gini coefficients. At the same time, the ranked charities received an increasing share of total U.S. giving. Competition for private support is diffuse rather than direct, because the charities are often unaware of who is competing with them for private support. Similarly, predatory pricing, more characteristic of direct competition, is typically absent in the solicitation of private support. The increase in diffuse competition among the ranked charities over the study period was evidenced by the changing concentrations measured by the HHI. Declining concentration is interpreted as increasing competition. For much of the study period, concentration within the Philanthropy 400 declined, mostly because of the declining market share received by the Persisters, and particularly the *United Way,* until concentration began to rise again in recent years with the ascendance of the Betweeners, led by the New Persisters. The heightened competition among the Philanthropy 400 contributed to the increased share of total U.S. giving received by the ranked charities.

These findings about concentration and competition raise concerns for smaller charities not ranked in the Philanthropy 400. Since the ranked charities received an

increasing percentage of total U.S. giving, this may leave a lower amount of private support available for smaller charities. These concerns were accentuated by the slower rate of growth in total U.S. giving during the most recent decade. Many donors are solicited by multiple charities, and increased solicitations received by donors may require broader and longer fundraising campaigns by charities to generate the desired level of private support. Higher solicitation costs may inhibit smaller charities from generating adequate private support, since smaller charities have fewer resources to draw from than larger charities. Since smaller charities are typically more dependent upon private support as a percentage of total income (Bowen et al., 1994; Horne, 2005; Kim et al., 2011; Lecy & Van Slyke, 2012; Meckstroth & Arnsberger, 1998), increasing competition for private support may negatively impact the survival and growth of smaller charities in a period of limited growth of total U.S. giving. Competition for a smaller share of private support available to charities not ranked in the Philanthropy 400 could have contributed to the slowing net growth in number of charities found through 2008 (Lecy & Van Holm, 2013).

Reduced survival and growth of smaller charities has potentially detrimental effects among the population of charities, including reduced service provision, limited expression of minority viewpoints, and impeded development of new solutions to difficult social problems. However, these pressures on smaller charities also have potential positive effects, such as reducing redundant service provision, eliminating ineffective charities, and reducing the number of charities addressing causes that have limited support. In addition, the increasing size of large charities may allow them to grow to a scale that allows them to effectively address difficult social problems.

Limitations

This dissertation has both data and methodological limitations. Omissions of charities based on religious identity affected the data used. As found in many studies of charity finances, congregations, denominations, and other religious organizations were underrepresented in the rankings. Religious organizations are incompletely represented in data from IRS registrations and Form 990 filings (Scheitle, Dollhopf, & McCarthy, 2016), limiting the ability to identify religious charities that should have been ranked in the Philanthropy 400. Similarly, religious charities are not required to file a Form 990, limiting the availability of financial information. Religious denominations were generally absent from the rankings, especially in later years. Giving to religion as a share of total U.S. giving declined during the study period (Giving USA Foundation, 2015), and denominations have historically changed in their ability to attract members and their donations (Finke & Stark, 2005). However, several denominations omitted from the rankings certainly received enough private support on a consolidated basis to be ranked. Inclusion of organizational networks of affiliated member congregations with consolidated denominational financials is as appropriate as considering the *United Way* a single organization that includes all of its individual affiliates. Similarly, schools with religious affiliation do not always file a Form 990, such as *Saint Labre Indian School, Jewish Theological Seminary of America,* and *Brigham Young University.* Omission of religious charities resulted in a conservative quantification of aggregate totals, especially in regard to concentration of private support.

Within the rankings, data for charities with affiliates presented limitations. Some charities, like *Jewish Community Centers Association of North America, National Urban*

League, and *YWCA* exited the rankings because they stopped providing consolidated financial figures for the entire organization. Similarly, charities like *Feeding America* and *Jewish Federations* never provided consolidated financial figures, although about 20 affiliates from each network were large enough to individually enter the rankings. Independent affiliates were retained for these two charity networks because only partially consolidated financial figures could be calculated. Since the nature of any internal transfer payments was unknown for these charities, concerns arose that simply summing existing data may be misleading. Charities like *Boys & Girls Clubs of America* routinely omitted a consistently small percentage of their smallest affiliates from their consolidated figures. These three types of omissions affected the aggregate data in several ways. First, affected organizations would have reported larger financial figures with more complete inclusion of all affiliates. Second, charities omitted from the rankings would have been included in the rankings with consolidated figures. Third, consolidating affiliates of the same parent charity would have reduced the number of charities ranked in some years, making room to add other charities to the updated rankings to get to 400 each year. These additions would have increased total private support received by the Philanthropy 400, indicating the results presented here are conservative for aggregate private support received.

Analytical methods created another set of limitations. The aggregate figures used did not track changes for individual charities. Future research, to be discussed shortly, can use other analytical methods to gain additional insights from examining changes for individual charities. Similarly, no analysis was conducted for changes based on fields in which charities operate, such as arts and culture, education or social service. Broadly,

fields of operation can be related to age and dependence on private support. For instance, colleges and universities are typically older and less dependent on private support than environmental and animal welfare charities. Lastly, the interrelation between the studied variables was not explored to assess relative influences on the movement of charities within the rankings.

Many of the limitations from this study can be addressed in future research. Because these data grow each year with the publication of a new ranking, the data remain relevant into the future. New data added each year do not render obsolete previous observations, but instead grow the longitudinal panel. Studies of these data in the future may also test the findings from this study to find both short-term and long-term variations in various trends tied to specific characteristics of charities.

Directions for Future Research

This dissertation focused on preparing the Philanthropy 400 data for analysis and initiating exploratory analysis of aggregate statistics for this group of charities. The literature review and the initial analyses revealed numerous areas where improved understanding of trends would benefit both scholars and practitioners. In the process of assembling the data, several techniques were identified to improve the accuracy and completeness of the published data for the Philanthropy 400. The level of analysis done in this research leaves ample opportunity to address interesting questions. In addition, topics raised by this research are ripe for further research.

Improved published data. Preparation of the Philanthropy 400 data revealed numerous instances where the published data were inaccurate, mostly due to the constraints created by the October publishing deadline. Outdated data were published

along with omission of many charities that should have been ranked, especially charities ranked for the first time. Several improvements could resolve these deficiencies. One way to identify charities that may make the rankings is to track media announcements of fundraising campaigns and receipt of gifts. Another way to identify charities that may make the rankings is through identifying large, one-time events, such as staging the Olympic Games and responses to major disasters. Rather than publishing outdated data repeated from the previous year's data, trendlines may be calculated based on several years of previous data. Calculation of the private support received by an entire network of affiliates when consolidated financial information was not provided can be facilitated by algorithms based on previous years' results. These steps would improve the published data, and brief articles could be published in *The Chronicle* to alert readers to changes in data that affected rankings published in previous years.

Further research and analyses utilizing the Philanthropy 400. The analyses completed in this dissertation did not exploit the full potential of the longitudinal panel data. Many analyses can be completed to more fully exploit the Philanthropy 400 data.

The Philanthropy 400 provides a useful population of charities to be studied in detail. A longitudinal panel data set that provides consolidated financial data for 1,101 charities over 25 years is a prime candidate for more sophisticated statistical techniques than were used in this dissertation. For instance, time series analyses can track changes for specific subgroups within the population. Similarly, pooled cross sectional time series analyses could measure key factors driving changes in the amount of private support received. Although expense data has weaknesses, the Philanthropy 400 data includes expense data for most charities in most years and could serve as a variable in future

analyses. Probit or Tobit analyses could be used. Probits could calculate the marginal effect that a charity would remain in the rankings based on any given variable, such as changes in age, private support, or total income. Tobits could calculate the marginal dollar amounts in private support received for each variable, holding all other variables constant. Similar methods could be used to better understand the factors contributing to a charity's ascendance into or disappearance from the rankings, such as age, field of operation, or relative investment in fundraising.

The charities ranked in the Philanthropy 400 provide an interesting population to draw from for case studies. The existing data can help specify charities that meet desired criteria. For instance, to understand the liability of senescence, older charities falling in the rankings could be compared to charities of a similar age rising or remaining stable in the rankings to understand factors influencing an older charity's adaptation to a changing environment. Similarly, common factors could be identified that contributed to the departure from the rankings of Exiters or the repetitive entry and exit from the rankings of the Variers. Of particular interest to fundraisers, specific approaches used by Onetimers to sharply increase their private support in ranked years could be illuminating.

Analysis of extraordinary years of private support received by Onetimers would improve understanding of these gifts. Donor-focused resources identify large gifts made, and the type of giving launching Onetimers into the rankings is worthy of further exploration. Insights can also be gained by examining these extraordinary years from the perspective of the receiving charities. These extraordinary years can be transformative to charities. A better understanding of the charities that receive extraordinary years of

private support, how they manage these new gifts, and the lasting organizational changes they enable can be instructive for both academics and practitioners.

Comparing the Philanthropy 400 to other populations. Organizational ecology theory predicts growth and change in organizational populations. Measuring growth among the population of charities has usually been done by including either all recognized 501(c)(3) charities or only those charities required to file a Form 990. These measures have weaknesses as benchmarks for long-term trends. Including all recognized charities creates uncertainty about the number of defunct charities included in the count, charities active but not filing a Form 990 in a given year, or charities recognized as 501(c)(3) but inactive in a given year. Including all charities required to file a Form 990 without inflation adjusting the filing threshold grows the population over time by the effective lowering of the filing threshold. Additionally, this filing threshold rose in 2010 from $25,000 to $50,000 in total income (*Internal Revenue Bulletin 2011-3*, 2011). A constant value for the filing threshold incorporating both changes in the reporting threshold and inflation adjustment is particularly important considering the income distribution among charities, since an increasing number of charities generate increasingly lower levels of total income. Measuring growth in the population of charities by including all charities with total income above the inflation-adjusted filing threshold would create a reference for growth to which other measures of long-term change could be compared.

The ability to generalize from the Philanthropy 400 is limited. However, changes among the ranked charities could indicate changes in a broader population of charities. For instance, changes within the field of operation for charities in the Philanthropy 400

were not closely examined. Not all fields of operation changed the same way during the study period, because some fields increased in number of ranked charities and aggregate private support received, while these measures for other fields decreased. Changes among fields of operation for ranked charities compared to changes among the same fields for the broader population of charities would determine if changes among the ranked charities reflected changes in the broader population.

The Philanthropy 400 also can be used to compare changes between sectors of the economy. Changes in the Philanthropy 400 can be compared to changes in commercial companies. Some research exists about changes in the Fortune 500 (Harris Corporation, 1996; Shanklin, 1986; Stangler & Arbesman, 2012; Zey, 2001; Zhu, 2000). Comparing the Philanthropy 400 to the Fortune 500 could shed light on fundamental differences in growth and decline between charities and commercial enterprises.

Affiliation among charities. Many of the charities ranked in the Philanthropy 400 are structured as networks of affiliates and are ranked based on consolidated financial information. Use of consolidated financial information is rare in the scholarly study of charities. However, consolidated financial information reflects the financial weight of an entire organizational network and not just small parts of it. Organizational ecology theory underlines the operational importance of affiliates of organizations having an easier path for establishment through legitimation and a higher level of survival through shared resources. However, much is to be learned about charities regarding the extent of affiliation, types of affiliates, and operating relationships between affiliates.

In quantifying affiliates, a preliminary study found 23% of the 1.1 million charities in the December 2014 Business Master File belonged to only 2,617 parent

organizations, an average of about 100 affiliates per parent (Cleveland, 2015). This figure slightly exceeds the 22% of affiliation found by Independent Sector's 1992 survey (Hodgkinson, Weitzman, Noga, & Gorski, 1993). Affiliation among religious congregations was found to be even higher, with 47% of congregations recognized as a 501(c)(3) that used a parent's group exemption number (Scheitle et al., 2016).

Considering affiliation may improve analyses involving the geographic distribution of charities and their financial resources. Data granularity differs for national charities. Charities like the *American Red Cross, March of Dimes,* or the *Nature Conservancy* file a single Form 990, while affiliates of charity networks like *Ducks Unlimited, Habitat for Humanity,* or the *United Way* each file in excess of 1,000 Forms 990. Since geographical comparisons are often based on the headquarters locations of individually incorporated 501(c)(3) charities, better understanding of affiliation will improve analyses based only on the headquarters location, such as regional differences in giving estimated based on Forms 990.

The types of affiliation and the resulting operating relationships may affect attempts to consolidate financial information for networks of affiliates and broader measures of charity finance. Several studies catalog different types of affiliates (Oster, 1992, 1996; Young, 1989; Young & Faulk, 2010), focusing mainly on operating affiliates that stretch the reach of umbrella organizations into new territories. Important types of affiliation that impact the number of charities and their financial resources are often left unconsidered. For example, many previous studies do not consider individually incorporated affiliates established to protect assets (like an endowment) from liability claims, nor do they consider captive affiliates, such as dedicated fundraising

organizations (like hospital guilds and university foundations), or supporting organizations of community foundations. The operating relationships between affiliated charities require additional knowledge, especially in the financial area. A couple of studies mention transfer payments between affiliates ranging from 10% to 40% of either private support or total income for charities like the *American Diabetes Association, American Lung Association,* or *Habitat for Humanity* (Baggett, 2000; Standley, 2001).

Because these obligatory transfer payments are not arms-length transactions, they differ from private support transferred between fully independent charities, like the competitive grants and transfers of gifts-in-kind from charities like *Brother's Brother Foundation* to *Adventist Development and Relief Agency, Food for the Poor* and *Life for Relief and Development*. Arms-length transactions are appropriately counted separately when calculating overall private support received by charities, similarly to how subcontractor revenue is counted separately from the primary contractor in other economic statistics. If obligatory transfer payments between affiliates constitute double counting, the magnitude of these transfer payments may affect the sum of financial information derived from multiple Forms 990, most likely overstating the quantification of the financial impact of the broader population of charities. Identification of affiliates could confirm that the consolidated financials used in this dissertation netted out these types of obligatory payments.

Conclusions: Some Lessons from the Study of the Philanthropy 400

The Philanthropy 400 is a consequential group of charities, and listings of all ranked charities are found in Appendix 2. These rankings include many of the largest charities in the United States. Within the rankings are the most widely recognized

charities, along with quite a few charities relatively unknown to the general public and even scholars who study the field. The developments within this group over the last 25 years reveal a dynamic and changing group.

Age among the Philanthropy 400 has considerable impact. The Philanthropy 400 includes some of the oldest and most established charities in the United States. However, no guarantee exists that these venerable charities will indefinitely maintain a preeminent position in their receipt of private support. For instance, inflation-adjusted private support received by the *United Way* significantly declined during the study period, and inflation-adjusted private support received by the *March of Dimes* has been stable for about five decades. In a certain sense, the rich charities have gotten richer on an aggregate basis. However, shifts within the Philanthropy 400 indicate a changing cast of characters that will lead to turnover within this group over the very long term. Older charities are beginning to be displaced in the rankings by younger charities. The relative decline of the older charities may indicate that they are becoming too rigid in their operations, their missions are becoming obsolete, or they have grown to a size that faces high costs to continue increasing in size. The high cost of change resulting in a stable size allows other charities to surpass charities receiving a stable amount of private support.

The fall of older charities was balanced by the rise of younger charities. Younger charities entering the rankings for the first time replaced older charities that exited the rankings. At the same time, younger charities entered the highest positions in the rankings and displaced older charities. The rise of these younger charities is a testament to their ability to attract large amounts of private support, indicating that these charities are well adapted to their current environment. Their receipt of large amounts of private

support was often sustained, suggesting an ongoing investment in fundraising. Some donors increasingly embraced some younger charities with their private support, suggesting changes in the sort of track record donors sought, donor willingness to support new causes, and donor perceptions of the potential for innovative solutions to solve persistent social problems. The relatively rapid and sustained increase in private support received allowed these younger charities to scale up their operations quickly.

Dependence on private support proves changeable. The maxim *change is the only constant* reflects the mix of revenue sources accessed by charities. Contrary to the finding that charities increased their dependence on program service revenue (Salamon, 1993, 2012a; Segal & Weisbrod, 1998), dependence on private support as a percentage of total income increased at multiple levels during the study period, including for individual charities, among the charities ranked in the Philanthropy 400, and among a broader population of charities. The increased dependence on private support over the study period accompanied an increase in total income for all charities. Although total U.S. giving slowed in the most recent decade compared to the previous decade, growth in private support was sufficient to result in increased dependence on private support. Much is to be learned about how charities access different sources and different types of revenue.

Increasing private support received by the Philanthropy 400. The market for private support is competitive. The increasing share of total U.S. giving received by the Philanthropy 400 may continue due to the competitive advantages of these large charities. The competition for private support became increasingly intense for the charities ranked in the Philanthropy 400, evidenced by the rise in the private support received by the

charity ranked in the 400th position compared to the charity in the first position. These relative changes reflect a shrinking difference between the first and 400th ranked charities. This flattening of the distribution of private support received by the ranked charities is consistent with increased competition. Competition for private support is intense for all charities, although large charities have advantages, such as established fundraising systems with supporting staff, recognized brands, and resources to develop and maintain strong relationships with donors.

The increasing share of total U.S. giving received by the Philanthropy 400 and the competition for private support may inhibit the survival and growth of smaller charities. In a certain sense, the rich charities have gotten richer. However, the historical precedent of younger charities entering the rankings for the first time probably will continue, as a small number of charities grow to a large scale. This growth to scale is more likely to result from some charities consistently generating a large amount of private support rather than exceptional years far greater than their typical private support. Exceptional years of private support are increasingly unlikely to launch charities into the Philanthropy 400 due to the increasing amount of private support received by the charity in the 400th position. The limits for exceptional years of private support were reinforced by the declining number of Onetimers entering the rankings and Onetimers generally reaching only the lower half of the rankings. These findings underline the importance of developing a sustainable fundraising system if a charity aspires to generate private support at the highest levels.

An increasing share of private support received by the Philanthropy 400, holding steady the amount of total U.S. giving, diminishes the amount of private support available

for smaller charities. While a few young charities have quickly generated sufficient private support to be ranked in the Philanthropy 400, many small charities remain small. The availability of private support may have lasting impacts on individual charities established in this environment. These new charities will be founded in an environment where they may need to rely on marginal or inferior resources, such as one-time donors who are unwilling or unable to make future gifts. Marginal or inferior resources may result in increased fundraising expenses, may prevent charities from accessing adequate financial resources, may limit growth and increase overall failure rates (Hannan & Carroll, 1992). Since founding conditions shape structural attributes within organizations (Stinchcombe, 1965), these characteristics can be lasting and result in a persistently high failure rate for the cohort of charities entering the population in a highly competitive period (Baum & Shipilov, 2006).

The concentration of private support received among the Philanthropy 400 and any negative effect on the growth and survival of smaller charities may be mitigated by the grants made by funding intermediaries, including commercially affiliated donor-advised funds, community foundations, federated fundraisers, gifts-in-kind specialists, and health advocacy charities. These charities are specialists in generating private support that they then grant to other charities. Charities of all these descriptions are well-represented among the Philanthropy 400. While federated fundraisers have declined in prominence, they remain a potent presence in fundraising. All these charities make grants to other charities from the private support they receive, and some of these grants may go to smaller charities.

Importance of studying trends. As mentioned above, *change is the only constant*. The measurement of change among charities helps to identify long-term cycles. However, long-term change is not well studied for charities. Change among charities is often only measured from year to year, short-term changes that contribute to longer-term changes. But long-term changes may periodically change direction in a cycle, such as the dependence on private support as a percentage of total income for all charities. Discovering cycles uncovers previously unknown relationships that can identify either hazardous conditions or favorable opportunities for different groups of charities. For example, the increasing concentration of private support contemporaneous with slowing growth in both the number of charities and total U.S. giving may suggest benefits to larger charities and strains on smaller ones.

The availability of and cost to access various financial resources will continue to impact how charities fund their operations. While concentration of private support may change over a period of years, concentration increasing to the point of anything approaching a monopoly for private support is unlikely due to the breadth of both charity pursuits and donor interests. Limits to concentration of private support mean that all charities have the potential to generate private support, although that potential is influenced by many variables. However, limits to concentration do not indicate that competition for private support will diminish. Long-term cycles of charity access to financial resources may be driven by changing availability for funding from program service revenue, government sources, investment returns, and private support. A high level of competition for private support is likely to continue. This trend suggests that

charities desiring to increase the private support they receive would be well advised to invest in fundraising.

Changes in the direction of trends indicate valuable areas for future inquiry. For instance, concerns were raised during the 1990s about the increasing marketization of charitable and nonprofit activity (Salamon, 1993; Segal & Weisbrod, 1998). However, these observed trends either stabilized or reversed direction. Particularly relevant is the increasing dependence on private support as a percentage of total income for the broader population of charities since 1992, as depicted in in Figure 2.1. This increased dependence on private support occurred even with an accompanying increase in the generation of total income by charities.

Trends are subject to change, and some trends are linked. Broad increases in private support with the increasing dependence on private support were reflected by the increased percentage of GDP represented by total U.S. giving. The jump in total U.S. giving, ranging from 1.6% to 1.7% of GDP from 1974 to 1994 and increasing to range from 1.9% to 2.1% since 1995 is one indication that philanthropic activity increased during the study period (Giving USA Foundation, 2015). Solicitation efforts by charities certainly played a role in this increase.

Understanding long-term cycles has another benefit of better understanding how donors respond to solicitation. Understanding long-term changes and identifying underlying cycles provides the context for studies of individual behavior. Of particular interest are behaviors that can be influenced by organizations, such as donor behavior. These types of studies are often completed at discrete points in time. Different levels and methods of competition may change the context in which charities approach the

solicitation of private support and the levels of competition are subject to change. Changing contexts add perspective to studies of malleable behaviors, like donor behavior, making the study of trends useful to a broad range of scholars and practitioners.

Appendix 1: Preparing the Philanthropy 400 Data for Analysis

This appendix details the steps taken to compile the primary data used in this dissertation, based on the Philanthropy 400. Data were sought for all charities included in the published rankings over the 25-year study period. In order to meet publication deadlines, the published rankings sometimes used outdated financial information. Fiscal year ends were aligned for all charities to remedy the use of outdated information, so the analyzed figures represented the same time period. The publication deadlines also contributed to the omission of 310 charities that should have been ranked. These 310 charities omitted from the rankings, but receiving sufficient private support to justify being ranked, were added from systematic searches of other data sources. Data were also added to fill voids in years charities were not ranked or data had been shifted to align fiscal years. Data from *The Chronicle* were supplemented with data from Forms 990, audited financial statements, and, in a small percentage of cases, by calculating values. Compiling these data developed a longitudinal record for each charity, primarily assembled using the charity's name, location, and EIN across years. Ensuring the scope of financial data of each charity was consistent over the study period, figures in the longitudinal records were compared to reported financial figures with other data sources, such as the Council for Aid to Education's Voluntary Support of Education (VSE) survey, other rankings like the *Nonprofit Times* NPT Top 100, and Forms 990 archived by National Center for Charitable Statistics (NCCS) and GuideStar.

The various inclusions and exclusions after adjusting the data resulted in a study population of 1,101 charities. Data were not available for all 1,101 charities for all 25 years of the study period, since some were founded after 1991 and some went defunct

before 2015. Each variable used for analysis was critically reviewed for data quality to ensure the scope and timing of the data was as consistent as possible. These analyses revealed a miniscule number of exceptions to rules established in compiling the data. Despite these efforts, the true aggregated figures for these charities remain understated by billions of dollars, largely due to the general omission of figures from religious charities and incomplete consolidated financial reports from some networks of affiliated charities.

About the Philanthropy 400

The Philanthropy 400 is the most comprehensive of the regularly published national rankings of charity financial results. Not only does this ranking include a greater number of charities in its ranking than competing compilations, but this ranking also does not exclude any field of operation for charities. A less comprehensive annual ranking of charities by private support received is the *Forbes* 200 (in 2012, reduced to 100). The *Forbes* 200 rankings rely mainly on Form 990 data, and are far less comprehensive than the Philanthropy 400. The editor of the *Forbes* ranking justifies the omission of commercially affiliated donor-advised funds, because gifts are administered by people other than the original donors; both academic institutions and community foundations are also omitted due to the perceived restricted population of donors from which they typically solicit private support (Barrett, 2009). A third ranking, *The Nonprofit Times'* NPT Top 100, annually ranks 100 charities with the greatest amount of total income. Ranking in the NPT Top 100 requires at least 10% of a charity's total income must come from private support. Exclusions from this ranking based on fields of operation evolved, with congregations or denominations, academic institutions, and commercially affiliated donor-advised funds consistently excluded from consideration.

The Philanthropy 400 aims to use the most recently available financial information for charities in the United States (Barton, 2006, 2007, 2008, 2009, 2010, 2011; Kerkman, Moore, & Aikman, 2004; Kerkman, Moore, & DiMento, 2005; Larose, 2003; Voelz, 2002; Voelz & Larose, 2001). The financial information published in the rankings derives primarily from a *Chronicle* survey seeking financial information based on Form 990 filings from charities likely to make the rankings based on receipt of private support in previous years. A second source of data is the VSE survey for colleges and universities. For charities not responding to the survey, a third source of data is the most recent Form 990 data supplied by GuideStar for charities receiving private support over a specified threshold.

The Philanthropy 400 considers all charities recognized with 501(c)(3) status from the IRS. However, some fields of charities are under-represented, such as congregations, denominations, and other religious charities, which are not required to publicly disclose financial results. *The Chronicle* included information about religious congregations from 1991 through 1997 from the Evangelical Council for Financial Accountability (ECFA) adding, at most, only five charities in any year (Blum, 1996; Demko & Hall, 1995; Dickey & Morris, 1997; Dundjerski, Hall, Moore, Rocque, & Spenner, 1994; Moore & Brown, 1993; Moore & Joseph, 1992; Ott, 1991).

The Chronicle officially articulated an editorial policy, starting with the 2005 ranking, to specifically request consolidated financial information from all affiliates of organizational networks, rather than separately rank individual affiliates that share a common brand, although not all charities complied with this request (Kerkman et al., 2005; Palmer, 2014). This policy change did not appear to affect the scope of reporting

for most charities, since very few charities reported significant year-to-year changes in financial figures at the time of this policy change.

Despite its comprehensiveness, the Philanthropy 400 has weaknesses. As befits the nature of data, all data published in the Philanthropy 400 are either imprecise or inaccurate. Errors arose due to the large size and complexity of charities, typographical and other reporting errors, flexibility of accounting rules between different data sources, incompleteness of data for charities including affiliates in any given year, and preparation of financial reports by inadequately knowledgeable individuals (Trigg & Nabangi, 1995). The Philanthropy 400 rankings sometimes unintentionally omitted charities that received private support sufficient for inclusion and used outdated data to include other charities. Despite inherent weaknesses, these data are believed to be the most accurate and representative available. While every point of datum is individually suspect, the data are believed to be directionally accurate and relatively close to the true values.

The Philanthropy 400 Data Set Compiled

A variety of sources provided the most appropriate and comprehensive data for the 25-year study period. Multiple variables were included each year for every individual charity considered for the rankings. *The Chronicle* provided electronic versions of the published data for each ranking year to facilitate this research. When errors in this electronic data were suspected, hard copies of the printed rankings provided clarification. Other data sources resolved uncertainties, including sources based on Form 990 data, including the Statistics of Income (SOI) archives, Business Master File (BMF) archives (both maintained by the NCCS), and Form 990 data maintained by GuideStar. Also helpful as data sources were audited financial statements, annual reports, other rankings,

and the websites of organizations like ECFA and individual charities. Data consistency drove the examination and selection of data for each variable. Two examinations assessed the data in the Philanthropy 400. The first compared data within a single year's ranking to ensure consistency in that year. The second examined data for each charity, creating a longitudinal record for each charity with data of a similar scope for each year.

Variables. This dissertation starts with the annual Philanthropy 400 rankings, published from 1991 to 2015 by *The Chronicle*. Variables used in the analysis from the Philanthropy 400 and other sources include:

- Ranking number
- Charity name
- Employer Identification Numbers (EINs) of ranked charities
- Field in which the charity operates
- Financial variables
    - Private support
    - Total income
    - Program expenses
    - Fundraising expenses
    - Total expenses
- Fiscal year represented by the data
- Location of the charity's headquarters
- Footnotes elaborating on factors affecting data for specific charities
- Charity's founding date

Ranking number. Each charity was ranked based on the amount of private support they reported receiving for each ranking year. Ranking assigned each charity with an integer as a ranking number, starting with 1 for the charity with the most private support for that ranking year. In cases where two charities reported the identical amount of private support, the charity reporting higher total income received the ranking number closer to 1. After the study population was finalized, each year was re-ranked based on the updated data. All charities reporting private support data in a given year received a ranking number, even if they reported receiving $0 in private support.

Name matching to assemble longitudinal records. Creating a longitudinal record for each ranked charity started with a name matching process across ranking years. Name matching started with correcting hundreds of minor errors in the names of charities in the electronic files provided by *The Chronicle*. Errors included misspellings, punctuation variations, and other minor typographical differences, such as the alternate use of *and* or &.[32] More complex errors, such as *Wayne Science University,* rather than the correct *Wayne State University,* required comparison of the electronic and printed versions of the rankings. Adding complexity to the name-matching process, many charities have similar names, such as the distinctly independent *ChildFund International* and *Children International* or *Trinity College* and *Trinity University*.[33]

---

[32] Punctuation differences included inclusion or exclusion of apostrophes, hyphens, and Oxford commas. Differences also appeared with spacing between words and the varying usage of abbreviations, such as St, St., and Saint.

[33] Charities share characteristics of their names both within and across fields of charities, potentially confusing donors, researchers, regulators, journalists and other stakeholders. These naming similarities necessitated close scrutiny in the name matching process.

Education is among the oldest charitable endeavors. Among ranked charities, words evocative of education appear nearly 400 times in the name of ranked charities. For instance, in the names of ranked charities, the word *university* appears 209 times among the ranked charities, the word *college* appears 65 times, the word *institute* appears 38 times, the word *school* appears 18 times, and the word *academy*

appears13 times. Adding dozens more examples are other variants of words evocative of learning are based on the roots of education, research, science, student, and technology.

Promoting life is a common aim of charities. However, not all charities support the same aspect of life, such as *Life for Relief and Development, Life Outreach International,* and *Young Life.* These charities are independent of *New Life International, Food Lifeline,* and the Rhode Island hospital known as *Lifespan.*

Among environmental and animal welfare charities, confusion may arise from the distinctly separate *Wildlife Conservation Society, World Wildlife Fund,* and *Wilderness Society.* Similarly, people inexpert in this field could easily confuse the *National Fish & Wildlife Foundation* and *National Wildlife Federation,* which are entirely separate from the *Conservation Fund, Conservation International,* and *Conservation Services Group.*

When considering gender-exclusive charities, some may not recognize the independence of the *Boy Scouts of America* and *Girl Scouts of the USA.* Confusion is compounded by the gender-inclusive *Boys & Girls Clubs of America*, which is separate from *Girls, Incorporated.* Both of these charities are separate from the scouting charities, as are *Cal Farley's Boys Ranch* and *Father Flanagan's Boys' Home.* Adding to this gender confusion, the *YMCA* changed its name to *The Y* while remaining independent of the *YWCA.* Hopefully, clients of these primarily youth-focused charities will stay healthy and never require the services of the *Gay Men's Health Crisis.*

Other charities focused on serving youth, such as *American Youth Soccer Organization, International Youth Foundation,* and *Kare Youth League* make their target clients evident in their names. Serving older youth are *Brigham Young University* and *Young Harris College.* These institutions of higher education have no explicit connection to *Young Life.*

Among health advocacy charities, confusingly similar names exist for the *American Association for Cancer Research, American Cancer Society, American Institute for Cancer Research,* and *National Cancer Coalition.* Of course, these charities with a general interest in cancer should not be confused with the more specific *Breast Cancer Research Foundation* or the *Breast Cancer Society.* Naturally, these cancer charities are independent of charities that provide patient care, as well as contributing to research, including the more-specifically identified *Fred Hutchinson Cancer Research Center, Memorial Sloan Kettering Cancer Center, Nevada Cancer Institute, University of Texas M.D. Anderson Cancer Center, Barbara Ann Karmanos Cancer Institute,* and *Dana-Farber Cancer Institute.* For more general health advocacy issues, confusion arises from the similarly named *Health Research, Mental Health America, National Voluntary Health Agencies,* or either *Patient Services, Partners Healthcare System,* or *Partners in Health.* For hospitals and medical centers delivering patient care, seven *Children's Hospitals* are only distinguished by the name of the city where they are located. These, of course, should not be confused with other specifically identified children's hospitals like *St. Jude Children's Research Hospital* (in Memphis, TN), *Ann & Robert H. Lurie Children's Hospital of Chicago, Children's Healthcare of Atlanta Foundation, Children's Mercy Hospital* (in Kansas City, MO), *Nationwide Children's Hospital* (in Columbus, OH), *Rady Children's Hospital* (in San Diego, CA), *Seattle Children's Hospital Foundation and Guild Association, Shriner's Hospital for Children* (with 22 hospitals in North America), or *Texas Children's Hospital.*

Faith-based charities could easily be confused, such as *Catholic Charities, Catholic Medical Mission Board, or Catholic Relief Services.* Other denominations have similar issues, such as *Lutheran Services in America, Lutheran World Relief, and International Lutheran Laymen's League*. Not to be excluded, other Protestant charities include *Christian Aid Ministries, Christian Blind Mission, International Christian Foundation for Children and Aging,* and *Christian Relief Services Charities.* Adding to the potential confusion are the independent *Christian Advocates Serving Evangelism, Christian and Missionary Alliance, Christian Appalachian Project,* and *Christian Broadcasting Network.* Pursuing Christian evangelism through the written word are the *American Bible Society, The Bible League,* and *Wycliffe Bible Translators.* However, none of these charities are based at the *Museum of the Bible* or spread their message through the *Bible Radio Network.* For donors interested in Jews or Israel, a multitude of charities compete for support, such as the *American Committee for the Weizmann Institute, American Friends of Bar-Ilan University, American Friends of Tel Aviv University, American Friends of the Hebrew University, and American Society for Technion - Israel Institute of Technology.* The *American Jewish Committee* is distinct from the *American Jewish Joint Distribution Committee* along with the *Jewish Communal Fund,* and the *American Jewish World Service.* (Of course, none of these charities should be confused with the distinctly Christian *American Friends Service Committee*). None of these charities are explicitly connected to

Birthright Israel Foundation, Friends of the Israel Defense Forces, New Israel Fund, or *P.E.F. Israel Endowment Funds.*

The term *community foundation* appears 38 times. Two of these are *Jewish community foundations,* and these two charities are separate from the 20 individually ranked charities including the words *Jewish Federation.* These federations are coordinated by the *Jewish Federations of North America,* which is a separate network from the *Jewish Community Centers Association of North America,* although this latter charity has a relationship with the individually ranked *Oshman Family Jewish Community Center.* The largest federated giving network, the *United Way,* was consolidated into a single charity for the rankings, eliminating from the study population 56 separately ranked affiliates.

Social service and international relief and development charities have confusing similarities. Providing food, along with 15 *food banks*, are *Feed the Children, Food Lifeline, Food for Survival, Food for the Hungry, Food for the Poor,* and *Feeding America.* For charities providing medical relief, confusion arises with the overlapping names of *Interchurch Medical Assistance, International Medical Corps,* and *Medical Teams International.* Independently projecting their missions are *Project Cure, Project Hope,* and *Project Orbis International.* The operatives creating confusion include *Operation Compassion, Operation Blessing International,* and *Operation Smile.* These last two need not be confused with *Blessings International* and *Smile Train*, respectively. Since children hold universal appeal in fundraising, *Feed the Children, Help the Children,* and *Save the Children* consistently rank among the charities receiving the most private support. The rise in popularity of global issues led to the rise of *World Emergency Relief, World Relief Corporation, World Lung Foundation, World Help,* and *World Vision.* Donors interested in helping those who served in the military may support *Helping Hospitalized Veterans, Disabled American Veterans,* and *Paralyzed Veterans of America.* These charities should not be confused with the *Wounded Warrior Project.* On a similarly nationalistic note, *AmeriCares* had nothing to do with the now defunct *AmeriDebt.*

When considering closely named, but distant in mission, *Citihope International* should not be confused with *City of Hope, City Year,* or *City Harvest.* All hope is not lost in trying to distinguish *Hope for the City, Convoy of Hope,* or *Project Hope/People-to-People Health Foundation*. However, difficulties arise for geographically pinpointing only by name the municipally focused *City Center of Music & Drama, CityArchRiver 2015 Foundation,* and *Science City at Union Station.*

Geography can be a key driver for names and only a few of the multitude of city-named charities are highlighted here. However, municipally based bricks-and-mortar museums are not to be overlooked, including the independent *Museum of Fine Arts* in Boston, Houston, and Virginia along with a *Museum of Modern Art* in Los Angeles, New York, and San Francisco plus 10 other *Museum of Art* institutions distinguished only by a geographic locator or benefactor's name. Some charities are independent despite overlapping names and geography, such as *Mount Sinai Medical Center* and *Mount Sinai School of Medicine.* Despite an uncommon, identical geographic moniker, *North Shore Animal League* is separate from the *North Shore Long Island Jewish Health System Foundation. Northeastern University* and *Northwestern University* are entirely distinct, although the former is far closer to both *Boston College* and *Boston University.*

The six ranked and explicitly named *performing arts centers* may host any of the ranked 11 symphonies, nine operas, seven orchestras, or single ballet. Many charities rightfully claim longstanding traditions, although confusion is natural for the names of *National Heritage Foundation* and *Heritage Foundation,* not to mention the slightly more distinct *Chemical Heritage Foundation.*

Corporate and individual benefactors add to the naming similarities. The employee-funded *Goldman Sachs Charitable Gift Fund* is distinct from the investor-funded *Goldman Sachs Philanthropy Fund.* Some benefactors funded multiple institutions that may generate confusion, including *Lucile Salter Packard Children's Hospital at Stanford* and *Lucile Packard Foundation for Children's Health.* Similarly, the *Robert W. Woodruff Arts Center* is independent from the *Robert W. Woodruff Health Sciences Center Fund.* Similar benefactor name duplication characterizes the *Carnegie Institute, Carnegie Hall Corporation,* and *Carnegie Mellon University.* A Carnegie contemporary not to be outdone, *Rockefeller Philanthropy Advisors* has no formal relationship with *Rockefeller University.* Despite a common faith-based founder, *Oral Roberts Ministries* is independent of *Oral Roberts University.* While the father of our country was not a renowned philanthropist, his name graces *Washington University, Washington University in St. Louis, Washington State University, Washington and Lee University,* and *George Washington University.*

Information in different data fields helped ensure longitudinal records consistently represented the same charity. Ensuring that data from similarly named charities represented a unique charity required comparisons of headquarters city, field of operation, EIN, and financial data, along with conducting Internet searches for variants of the names of the charities. In many cases, name changes were reported on a charity's website and were verified by changes on the Forms 990. Sometimes, name changes resulted from rebranding, and in other instances name changes resulted from mergers. Correction of errors and charity's name associated with longitudinal records retained the charity's most recent legal name.

Mergers required special attention. In three cases, charities resulted from mergers of two previously ranked charities. In one merger, the two previously ranked charities were never ranked in the same years, and the merged charities were simply combined into a single longitudinal record by combining the data from the two separate charities.[34] In two other mergers, overlaps in the years in which both charities were ranked added together the available financial information.[35] Instances where charities merged without involving two previously ranked charities were considered a name change, rather than a merger.[36] No attempt was made in these cases to adjust any figures prior to the merger to represent a difference in scope for the charities. Since the focus of this dissertation is on

[34] One merger resulted from charities with no overlapping in ranking years. *Help the Children* evolved from *Children's Network International* and *World Opportunities International*.
[35] The two merging charities included *FHI 360,* growing out of *Family Health International* and the *Academy for Educational Development,* along with the *Silicon Valley Community Foundation,* resulting from the merger of the *Peninsula Community Foundation* and the *Community Foundation of Silicon Valley*.
[36] A progression of names revealed three sets of mergers. *CRISTA Ministries* evolved from *World Concern Development Organization. Morgan Stanley Global Impact Funding Trust* evolved from Smith Barney and Citigroup charities. *Partners Healthcare System* evolved from *Massachusetts General Hospital* when the latter merged with other, unranked hospitals. *The Chronicle* footnoted mergers that did not involve two previously ranked charities, including the *Foundation for the Carolinas* merging with the *Salisbury Community Foundation* in 2007 and the *United Jewish Communities* resulting from a merger of the *United Jewish Appeal, United Israel Appeal,* and *Council of Jewish Federations* in 1999; and the *Saint Paul Foundation* merging with the *Minnesota Community Foundation* in 2006.

financial growth, rather than the organizational vital rates of births and deaths, mergers are not counted as births of a new charity nor the deaths of the merged charities, as is more common in corporate demographic research (Carroll & Hannan, 2000).

Two cases of charities appearing independently in the rankings, then merging for a period of time, and then again separating, ultimately were retained as separate charities for the analysis. In both of these cases, the merged figures raised several questions, and figures for only a portion of the merged charities were available for all ranking years. Due to the inconsistency of figures used in the rankings and availability of data, *Scripps Health, Scripps Research Institute, Tides Center,* and *Tides Foundation* remained in the data for analysis as separate charities, and the merged charity reports were omitted from the analysis.[37]

EINs. EINs reinforced the name matching of charities with a consistent identifier between ranking years and facilitated the matching of data from other sources. EINs were included in the electronic data supplied by *The Chronicle,* typically for the headquarters location of the organizational networks. EINs clarified some questions raised by variations in names across rankings, especially by comparing data reported on Forms 990

[37] *Scripps Health* and *Scripps Research Institute* merged in the ranking for 1994 through 2003 as the *Scripps Foundation for Medicine and Science*. *Scripps Health* was ranked in 1993, 2008, and 2009 and reported sufficient private support on Forms 990 to be ranked in 1995 and 1997. *Scripps Research Institute* was ranked in 1993 and 2004 through 2014 and reported sufficient private support on Forms 990 to be ranked every year. Private support reported on Forms 990 for *Scripps Research Institute* always exceeded the private support of the joint *Scripps Foundation for Medicine and Science*. The joint *Scripps Foundation* never appeared contemporaneously in the rankings with the *Scripps Research Institute* or *Scripps Health*.

Similarly, the *Tides Center* and *Tides Foundation* merged in the rankings for 1999 through 2005 as *Tides Center/Foundation. Tides Center* was ranked from 2006 through 2013 and reported sufficient private support on Forms 990 to be ranked from 1998 through 2014. *Tides Foundation* was ranked from 2006 through 2013 and reported sufficient private support on Forms 990 to be ranked every year. Private support for the joint ranking inconsistently equaled the sum of the figures reported in the Forms 990 of *Tides Center* and *Tides Foundation*. As well, *Tides Center* had no data available in the NCCS Core Data Files for the fiscal years to be used for the 1993 through 1997 rankings. These data inconsistencies discouraged simply adding the figures from Forms 990 to estimate consolidated figures for the entire organizational network for all ranking years.

and changes in the names. The electronic data provided by *The Chronicle* included EINs for 670 of the charities in the published rankings. For charities without an EIN in *The Chronicle* data, a search on GuideStar provided EINs as matched by name, location and financial information, resulting in EINs identified for all but 5 of the charities included in the study population.[38] For 77 charities, multiple EINs in *The Chronicle* data coincided with charities identified as *including affiliates*. However, these lists of EINs were far from complete, because the most number of EINs provided for any single charity was 14, far less than the hundreds or thousands of affiliates in many national organizational networks, indicating a far lower priority for collecting EINs than for financial data. If EINs were collected for all the networks' affiliates, these data would dwarf the more important consolidated financial information.[39]

Field of operation. Based on the principal activity of the charity, *The Chronicle* assigned every charity in the published rankings to one of 18 fields of operation. Fields assigned to 133 charities required adjustment, which led to the development of the protocol for mapping NTEE codes to broader fields. The replacement of 56 individually ranked *United Way* affiliates with a single charity reporting consolidated financials for the organizational network eliminated the field *United Ways.* The *United Way* was reassigned to the field *Social Service.* The 44 charities assigned to the field *Other* were mapped and reassigned to fields based on their NTEE code. The elimination of the *United Ways* and *Other* fields left 16 remaining fields. *The Chronicle* often published a

[38] The five charities for which EINs could not be identified included *California State University System, State University of New York Cornell Statutory Colleges, University of California at San Francisco-Stanford Health Care, University of Texas at Austin,* and the *Episcopal Church*. For state universities, the EIN for the respective university foundation typically was used.

[39] For instance, *Ducks Unlimited* has 4,422 affiliates, *Humane Society* has 1,718 affiliates, *Habitat for Humanity* has 1,384 affiliates, *United Way* has 1,255 affiliates, *Boys & Girls Clubs* has 983 affiliates, and *The Y* has 862 affiliates. Just these six affiliated networks have more individual affiliates, 10,624, than the 10,000 potential individually ranked charities in the Philanthropy 400 over 25 years.

tabulation of the number of charities and their aggregate private support by field but did not compare these enumerations between years.

Financial variables. Consolidated financial information for entire organizational networks of affiliates is sought by *The Chronicle*. Theory supports using consolidated financial information. A new affiliate more easily survives and grows than a new, unaffiliated organization, due to established name recognition (or branding), proven operating models, and resources available from the larger organization (Carroll & Hannan, 2000). Affiliates replicating the same missions and using the same brand in distinct geographies are arms of their headquarters. This mutual reliance justifies consolidated financials to measure the impact of the charity network as a whole. From a practical standpoint, the decline in private support received in the 1990s by the *United Way* on a consolidated basis reflected a related effect, in which a scandal at the headquarters adversely affected many of this charity's affiliates.

Revenue figures for private support and total income form the core of the data used for analysis. Figures for private support and total income were thoroughly examined to ensure inclusion of appropriate figures. Two major issues arose during this examination. Errors in the data required correction, and consolidated data from charities with affiliates required attention to ensure a consistent scope of the charity was used across all years. Within the data, a separate data field noted the source of data for each figure and any adjustments made to the figures.

Total income reported on the Form 990 is a form of net revenue.[40] Negative total income figures are reported on some Forms 990, such as cases of large losses on

[40] The IRS uses the term *total revenue* on the Form 990. The term *total income* is used in the Philanthropy 400. These terms appear to be used equivalently. The term *total income* is used consistently in this

investments or special events. These losses are more appropriately accounted for in other ways than by reducing revenues, such as an expense or a lower asset value on the balance sheet. However, given the fact that charities may account for these sorts of negative income on their tax return, and negative income items may reduce total income without reporting a negative number on any line item, no attempt was made to isolate income without the subtraction of these various expenses or losses. Given the use of total income in the ranking results, these figures were not replaced with gross revenue figures, with the added disincentive that gross revenues are not available for the entire study period for all charities in the study population. A small number of charities reported negative total income, annually averaging 0.3% of charities reporting total income (n = 3) and ranging from 0% to 2.6% (n = 0 to 26) in any ranking year.[41]

Since private support is a component of total income, private support should be equal to or less than total income. However, total income calculated with negative components is evident when private support exceeds total income. The small percentage of observations reflecting negative total income justified the assumption that these sorts of negative income infrequently had a material effect on total income. For charities in the study population that reported total income, an average of 3.7% (n = 36) reported private support greater than total income, ranging from 6 to 162 such reports in any year. Only six years, corresponding with the recessions in 2001-2003 and 2008-2010, accounted for the majority (61.4%, n = 554) of the 903 instances where private support exceeded total income. These six years were the only years when charities with private support

---

dissertation to be consistent with the Philanthropy 400 and the accounting meaning of the terms revenue and income.

[41] During the study period, 5.5% of charities in the study population (n = 61) reported negative total income. This negative reporting happened in 0.3% of potential observations (n = 75 of 24,785), an average of 1.2 times for each charity involved, ranging from 1 to 4 occurrences per charity.

exceeding total income outnumbered charities with no report of total income, charities with no report of total income averaged 2.9% (n = 29) each year. Fields expected to hold assets subject to investment losses, such as *Colleges & Universities, Commercial Funds, Community Foundations,* and *Hospitals & Medical Centers*, reported two thirds of the instances with private support exceeding total income (63.1%, n = 570).

Figures for total, program, and fundraising expenses are present in the Philanthropy 400 data. However, given the persistent problems plaguing proper categorization of expenses, these data were not analyzed (Froelich & Knoepfle, 1996; Gordon, Khumawala, Kraut, & Meade, 2007; Hager, Pollak, Wing, & Rooney, 2004a, 2004b; Jacobs & Marudas, 2006, 2009, 2010, 2012; Kim, 2002; Krishnan, Yetman, & Yetman, 2006; Lecy & Searing, 2014; Marudas & Jacobs, 2010; Ritchie & Kolodinsky, 2003; Tinkelman & Donabedian, 2007; Trussel, 2003; Wing, Gordon, Hager, Pollak, & Rooney, 2006). Expense figures assisted in matching data between what was published in the rankings and other data sources, such as Forms 990 and audited financial statements, a valuable contribution when evaluating data to fill voids and ensure longitudinal records consistently included data from the same charity.

Issues with financial data provided by The Chronicle. In some of the electronic data provided by *The Chronicle,* typographical errors in some financial figures required correction. These errors were identified by situations where the figure for private support did not fit between the charities ranked around it. For instance, an evident error was a figure for private support for the charity ranked 100th not between the figures for the charities ranked 99th and 101st. In several cases, typographical errors transposed digits or simply mistyped them. For instance, the *Aspen Institute* was ranked in 2013 based on

$70,566,464 in private support while the Form 990 reported the value $70,766,464; the latter value was retained in the data for this and similar cases. In other cases, order of magnitude errors omitted a digit, corrected by comparing figures with a printed copy of the rankings or other financial disclosures.

Some charities provided updated figures to *The Chronicle* after publications of the rankings. Updates were needed when charities submitted estimates to *The Chronicle* to meet the publication deadline, extended the filing for their Form 990, or restated their financials. Examination of the published and updated data provided to *The Chronicle* for the ranking years 2006, 2009, 2010, 2011, and 2012 measured the frequency and direction of updates. Updates averaged only four per year, a correction rate of 1%, and ranged in number from two to eight in the examined years. For the 20 changes in these five years, only two of the changes revised figures downward; the balance of the figures were revised upwards, some more than doubling the published data.[42] This updating pattern suggests initial reporting of conservative estimates and a bias in providing updates when the actual figures exceeded the published figures.

Understatement of aggregate financial figures. Due to various omissions and misstatements of data, the aggregate value of financial information published by *The Chronicle* understated by billions of dollars in each ranking the private support received and total income generated by these large charities. As mentioned previously, total income may be reduced by negative values included in the calculation of these values. The consolidated financial reports provided by the charities with numerous affiliates

[42] The charities providing updated data reports included *Autism Speaks, Bank of America Charitable Gift Fund, Healthwell, JDRF International, Muscular Dystrophy Association, Oxfam, Project Orbis, Shriners Hospital for Children, Texas Tech, United States Holocaust Memorial Museum, University of Arkansas at Fayetteville*, and *University of New Mexico*.

often understated the actual values. The omission of congregations, denominations, and similar religious charities, reduced the aggregated figures calculated for the ranked charities.

A contributing factor to the understatement of aggregated financial figures for all ranked charities was the understatement of reported consolidated financial figures by individual charities. Already mentioned were the provision of updated figures biased to increasing reported results. At least one charity, the *Boys & Girls Club of America*, regularly submitted figures including most, but not all, affiliates. For this charity, not all individual affiliates provided financial information to the headquarters prior to *The Chronicle's* deadline for submitting data. However, the excluded affiliates contributed a minority of financial totals for the charity. While the inclusion of specific affiliates may change in various years, the figures always include the largest affiliates, and figures include a similar proportion of the smallest affiliates (Fowlkes, 2013). Therefore, this charity understated its financial figures by a consistently small percentage, and the reported data are comparable year-to-year. A total of 39 charities identified in footnotes to the rankings quantified an incomplete number of affiliates included in the reported financial figures.[43] In addition to these omissions, charities electing to no longer provide

[43] In addition to *Boys & Girls Clubs of America*, charities reporting a less than complete number of affiliates identified in footnotes to the rankings included the *American Cancer Society, American Diabetes Association, American Heart Association, American Lung Association, Barbara Ann Karmanos Cancer Institute, Big Brothers Big Sisters of America, Billy Graham Evangelistic Association, Camp Fire USA, Carter Center, Catholic Charites, Chicago Community Trust, Christian and Missionary Alliance, Columbus Foundation, Communities Foundation of Texas, Community Foundation for Southeast Michigan, Community Foundation Serving Richmond and Central Virginia, Covenant House, Crista Ministries, Feed the Children, Girls Incorporated, Goodwill Industries International, Greater Kansas City Community Foundation, Habitat for Humanity, Independent Charities of America, Lutheran Services of America, Memorial Sloan Kettering Cancer Center, Mental Health America, Minneapolis Foundation, National Urban League, Osmond Foundation/Children's Miracle Network, Paralyzed Veterans of America, Pittsburgh Foundation, Planned Parenthood Federation, Special Olympics, The Arc, The Y, United Way Worldwide,* and *YWCA.*

consolidated financial information for their organizational network often exited the rankings.[44]

Federated fundraising charities were ranked by individual affiliates, rather than as a single charity, until the *United Way* was ranked as a single charity with consolidated financials starting in 2005. A total of 56 individual affiliates of between 1,000 and 1,500 *United Way* affiliates were ranked between 1991 and 2004. An average of 38 *United Way* affiliates were ranked each year, ranging from 21 to 52. Availability of consolidated financial data supplied by the *United Way* for all years enabled inclusion of a single longitudinal record for the entire study period. The individually ranked *United Way* affiliates reported an average of 44% of the private support for the consolidated organizational network, ranging from 26% to 56%. Relying only on the largest affiliates, rather than the entire charity, the total private support for the *United Way* would be understated by an average of nearly $2 billion annually. In a parallel example of federated giving, a total of 21 individual *Jewish Federations* were ranked from 1991 to 2015, with an average of 13 *Jewish Federations* ranked each year, and a range from 8 to 19. *Jewish Federations of North America* claimed 152 *Jewish Federations* as members, as of 2015.[45] The lack of availability of a single, consolidated report for the *Jewish Federations* necessitated retaining each of the individually ranked affiliates. If a similar proportion of private support generated by the largest affiliates within the *United Way* compared to the consolidated figures applied to the largest *Jewish Federations*, then the

[44] Among the charities exiting the rankings, because they no longer reported consolidated financials, included *Jewish Community Centers Association of North America, National Urban League, Ronald McDonald House Charities*, and *YWCA*. In the case of the *YWCA*, sufficient data enabled estimation of consolidated financials for the organizational network, but the lack of appropriate data prevented calculation of estimates for the other charities.

[45] This figure was obtained by visiting the website of the *Jewish Federations of North America* on February 25, 2015. http://www.jewishfederations.org/about-us.aspx

rankings of *Jewish Federations* understated private support received by the entire affiliated network by over $1 billion each year.

For several charities, data limitations prevented consolidation of affiliates into larger affiliated networks. In addition to the Jewish Federations previously mentioned, 18 ranked charities are among the approximately 15,000 affiliates of the *United States Conference of Catholic Bishops*.[46] However, given the diverse missions of these charities and unavailability of consolidated financial reports from the *Conference of Catholic Bishops*, no attempt was made to consolidate their financial information.

Consolidation of the financials for public broadcasting charities into a single financial report is unrealistically difficult. This difficulty is true for consolidating by the primary media of television or radio. Eight *Public Broadcasting* affiliates were ranked as individual charities along with the national umbrellas of the *Public Broadcasting System* and *NPR*. Operation of both television and radio stations by several affiliates inhibits separation at the affiliate level of the relative financial impact of either broadcast media on the private support received.[47] Consolidating both television and radio into a single public broadcasting charity blurs the impact of the individual media, which is particularly

[46] A total of 14,996 individual charities shared the group exemption number 0928 with the *United States Conference of Catholic Bishops* in the December, 2014 Business Master File (Cleveland, 2015). GuideStar listed 15,049 subordinates to the *Conference of Catholic Bishops* as of January 7, 2015. These charities included ranked charities, such as *Catholic Charities USA, Catholic Medical Mission Board, Catholic Relief Services, Faith in the Future Fund, Maryknoll Fathers and Brothers, Maryvale (Los Angeles Orphan Asylum), Sacramento Food Bank & Family Services, Sacred Heart League, St. Joseph's Indian School and Missions,* and *St. Labre Indian School*. Five ranked universities are subsidiary to the *Conference of Catholic Bishops,* including *John Carroll University, Seton Hall University, University of Dayton*, *University of San Diego* and *Villanova University*. In addition, three ranked hospitals are subsidiary to the *Conference of Catholic Bishops,* including *Dignity Health, Hospital Sisters of Saint Francis Foundation,* and *Mercy Care.*

[47] Of the eight ranked public broadcasting affiliates four offer both public television and radio: Boston's *WGBH*, Philadelphia's *WHYY*, Washington DC's *WETA*, and Northern California's *KQED*. Three solely offer public television: Southern California's *KCET*, Chicago's *WTTW*, and New York's *WNET*. One solely offers public radio: *Minnesota Public Radio/American Public Media*.

relevant given the presence of the national umbrellas which exclusively focus on either television or radio.

Public university systems presented another set of dilemmas. Some universities reported data only for their flagship campus, omitting revenue from satellite campuses. During the study period, some universities reported both individual campuses and entire systems in various ranking years. Where data were available, system-wide data replaced individual campus data for universities inconsistently reporting system-wide data. However, 10 state university systems remained in the data used for analysis that could not be consolidated, comprised of 34 individual affiliates. For example, *City University of New York* had four separate affiliates included in the rankings; two of these affiliates are associated foundations and two are campus affiliates.[48] The complicated nature of this institution and lack of consolidated financial data required the four separate affiliates to remain for analysis.

The omission of many religious congregations and denominations also affected the aggregate financial figures used in the analyses. Like the *Jewish Federations, Conference of Catholic Bishops,* and *Public Broadcasting,* data limitations prevented calculation of consolidation of religious denominations. Affiliated networks of religious congregations can be large. Similar to the approximately 15,000 affiliates of the *Conference of Catholic Bishops,* other Christian denominations have thousands of individual congregations recognized as 501(c)(3) charities (Scheitle, Dollhopf, & McCarthy, 2016). As an additional limitation, religious congregations are not required to disclose financial information on a Form 990, reducing the availability of any sort of data

[48] The two campuses are *City University of New York - Hunter College* and *City College of City University of New York.* The two affiliated foundations are *City College 21st Century Foundation* and *Research Foundation of the City University of New York.*

from which to calculate consolidated financials. The omission of these denominations resulted in the understatement of aggregated financial figures for ranked charities by billions of dollars.

Understated aggregate financial information resulted in conservative results presented in this dissertation. The aggregate figures presented in the Philanthropy 400 understated the amount of private support received and total income generated by the leading charities by billions of dollars. Understatement means that the measures of private support received and total income generated on a consolidated basis were actually higher than what is presented in this dissertation. Affiliation among charities and its impact on consolidated financial reporting from organizational networks is inadequately understood (Cleveland, 2015). While the extent to which financial figures should be consolidated in affiliated charities is debatable, reports made to the Philanthropy 400 understated the finances of large, affiliated charities. By consolidating charities, such as federated giving networks and university systems, that not only increases the reported financial figures, but consolidation vacates positions in the rankings to allow inclusion of additional charities that additionally increase the aggregated financial figures. The understatement means that the aggregate figures are conservatively presented, and the results are actually more extreme for calculations, such as the concentration of private support.

Fiscal year end. *The Chronicle* added an explicit note in the methods section of the rankings starting in 2000 that the rankings would be based on data submitted from the fiscal year ended April 1 of the previous year through March 31 of the ranking year (Lipman, Larose, & Voelz, 2000). For example, for the 2010 ranking, the data included

was for fiscal years ending between April 1, 2009 through March 31, 2010. This fiscal year end standard was typically used prior to 2000, which may be related to desire to include the most recent data possible, the paucity of charities ending their fiscal year in the first quarter of the calendar year, and the proven unavailability of data for fiscal years ending later than March 31 for the mid-October publication deadline. However, *The Chronicle* annually included a median of 18 charities based on data from outside this fiscal year end standard in the published rankings, ranging from eight in 1998 to highs of 92 in 1992 and 130 in 1991.

The fiscal year end information recorded by *The Chronicle* created challenges. The fiscal year end in the data provided by *The Chronicle* indicated the month, day, and year through the 2011 ranking. Errors in fiscal year end in the data provided by *The Chronicle* were corrected an average of 5.2 times each year. These errors were discovered by comparing the published data with financial data from other sources. Starting in 2012, the fiscal year only indicated the month and day. The omission of the year from the fiscal year end necessitated cross-checking published data with other sources to establish the year represented by the individual reports.

Charities with numerous affiliates presented an interesting wrinkle for fiscal years. Independent affiliates may have different fiscal year ends than the charity's headquarters. The rankings based fiscal year end on the charity's headquarters and allowed the charity to report consolidated financial information based on its own internal rules. Difference in affiliate fiscal year ends within a charity received a footnote in the published rankings for 14 charities.[49] However, far more charities with affiliates probably

[49] Charities with a footnote specifying that affiliates had different fiscal year ends included *Alzheimer's Association, American Cancer Society, Big Brothers Big Sisters of America, Boston Foundation, Camp*

have varied fiscal year ends for affiliates within their organizational network than were reported in the footnotes to the rankings. No evidence indicates that a charity's internal rules for consolidating financial data from affiliates with different fiscal year ends had material impact on the consolidated data presented. However, this fiscal year consolidation question remains an unstudied topic.

Fiscal year ends among ranked charities differed from the broader population of charities. On average, as shown in Table A1.1, nearly half of the ranked charities ended their fiscal year on June 30, just over one quarter on December 31, and one tenth on September 30. Comparing the ranked charities with all charities with reported total income above the reporting threshold for Forms 990, the main difference is a reversal of the percentage of charities reporting a fiscal year end in June versus December. While June is the fiscal year end used by nearly half of the charities ranked in the Philanthropy 400, December is the fiscal year end used by nearly half of all charities in the broader population. Similarly, December is the fiscal year end used by 27% of the Philanthropy 400, while June is the fiscal year end used by 30% of all charities. These differences most likely resulted from the significant number of *colleges and universities* ranked in the Philanthropy 400. Also shown in the rightmost column of Table A1.1, the row total for the position of each month within a quarter reveals the vast majority charities end their fiscal years at the end of a quarter.

Fire USA, Community Foundation Serving Richmond and Central Virginia, Girl Scouts of the USA, Girls Incorporated, Jewish Federation & United Fund of Chicago, Lutheran Services in America, Mental Health America, Planned Parenthood Federation, The Arc, and *The Y.*

Table A1.1. Comparing Two Sources for Fiscal Year Ends Reported by Charities

Fiscal Year Ends for Charities Ranked in the Philanthropy 400								Row Total
January	0.1%	April	1.0%	July	1.0%	October	0.2%	2.4%
February	0.4%	May	3.9%	August	5.4%	November	0.3%	10.0%
March	2.4%	June	48.4%	Sept.	9.7%	December	27.2%	87.6%
1st Qtr.	2.9%	2nd Qtr.	53.3%	3rd Qtr.	16.1%	4th Qtr.	27.7%	

Fiscal Year Ends for All Charities in the Business Master File								Row Total
January	0.4%	April	1.2%	July	2.1%	October	1.0%	4.7%
February	0.5%	May	2.4%	August	3.6%	November	0.5%	7.0%
March	1.9%	June	29.8%	Sept.	7.0%	December	49.5%	88.2%
1st Qtr.	2.8%	2nd Qtr.	33.4%	3rd Qtr.	12.7%	4th Qtr.	51.0%	

Note. Percentages may not add to 100 due to rounding.

Also reported in Table A1.1, on average each ranking year, only 3% of charities in the study population ended their fiscal year between January 1 and March 31, accounting for just over 2% of private support. The small percentage of charities ending their fiscal years in the first quarter and the correspondingly small amount of private support underlines the insignificant difference between the standard period used in the rankings compared to the calendar year.

Location of the charities' headquarters. The data provided by *The Chronicle* included the city and state for the location of the headquarters of each charity, which facilitated the name matching process. Due to the national nature of many ranked charities, especially those with large affiliate networks, the analyses exclude geographic data. Geographic information cannot correlate private support received with geographic location based only on the headquarters. In fact, charities with a national presence and geographically focused affiliates may compete within their own network for private support. For instance, the PBS Foundation works with local station affiliates to avoid conflicts when soliciting donors (Avery & Leviton, 2013).

Geographic analysis by headquarters location is also influenced by the corporate structure of charities. National charities that file only a single Form 990 almost certainly do not receive all of their private support from the region where their national headquarters are located. Examples of national charities filing only a single Form 990 include the *American Red Cross, March of Dimes,* and the *Nature Conservancy.*

Footnotes. *The Chronicle* included footnotes to elaborate on the data. Not all types of footnotes appear in every ranking. Footnotes flagged charities where the financial data *includes affiliates*, when a charity conducted a *capital campaign*, if a charity received more than 50% of private support in the form of *in-kind gifts*, if private support included *earmarked gifts*, and if the charity was included in the rankings for the *first time*. General footnotes elaborated on special accounting issues, such as affiliates having different fiscal year ends, if figures were estimated, if the fiscal year end for the charity changed, or if accounting practices changed. General footnotes also specified governance changes, such as a name change, merger, spinoff, or a private foundation converting to a public charity. Footnotes specified organizational scope issues, such as if certain figures explicitly included or excluded private support from outside the United States. Footnotes identified specific sources of funds, such as from the congressionally funded *Corporation for Public Broadcasting* or if gifts-in-kind valuations posed difficulties. Lastly, general footnotes mentioned if extensions were filed for reporting the Form 990 to explain why some data were carried over from year to year.

The Chronicle added the footnote *includes affiliates* starting with the 1997 ranking, and this footnote identified charities reporting consolidated financial information. The footnote *includes affiliates* described 340 charities at least once.

Includes affiliates does not denote any charity for every year in which this charity appeared in the rankings. This footnote identified some charities intermittently and others only once. However, the financial reports between years for many charities rarely exhibited the order of magnitude differences that would help identify a change in reporting scope, raising the question if this footnote was consistently applied.

Founding year. Determining the founding year of a charity is not always straightforward. For a charity, different milestones can be used as a founding year, such as the initiation of efforts, first operation, incorporation, or recognition by the IRS as a 501(c)(3) charity. The year of incorporation or recognition by the IRS can be a misleading date for founding, because this information sometimes differs significantly from other organizational milestones, especially for older charities. For instance, America's oldest university, *Harvard*, was founded in 1636, while its IRS recognition as a 501(c)(3) public charity was in 1967, 331 years later. The earliest year of formation for an affiliate within an organizational network established a founding year for that charity. For example, the founding date of the earliest member congregation formed in the United States established the founding year for religious denominations.[50] The founding date used for educational institutions was the year the school opened for classes, rather than the year an organizing committee was formed or a charter was received, typically a gap of only a couple of years.[51] Identifying a founding year enabled the calculation of the charity's age for any year.

[50] For example, 1607 designated the founding of the first *Episcopal Church of the USA* in Jamestown, Virginia.
[51] For example, *California Polytechnic State University at San Luis* Obispo was chartered in 1901 and opened in 1903.

A number of sources provided founding years. *The Chronicle* did not identify founding years. The websites of most charities provided a founding year, usually found in the *About Us* or *Our History* portion of the website. Other sources provided the founding date for some charities. The *year founded* from GuideStar was used for 25 charities included in the published rankings.[52] Discrepancies existed for one charity between the *year of formation* on the Form 990 and the *year founded* from GuideStar, and the figure from the Form 990 was used.[53] Wikipedia provided the founding date in two cases, where information could not be found from other sources.[54] The earlier date of two merged charities was used as the founding date in one case.[55] In one case, the age of the charity stated on its website provided an estimate of the founding year.[56]

The age at first ranking for charities in the first year of the rankings may be misleading, especially for older charities. Older charities in the early rankings very likely were among the leading recipients of private support far before the 1990s, creating an inflated age at first ranking. This deceptive impression is especially true for the 1991 ranking. For instance, *United Way* and *March of Dimes* were both leading recipients of private support from the time of their inception, each more than 50 years old prior to the

---

[52] Founding dates from GuideStar were used for *Burnham Institute for Medical Research, Community Foundation for Southeast Michigan, Futures Home Assistance Program, Gas Technology Institute, Insight for Living, Jewish Federation of Greater Los Angeles, KCET/Community Television of Southern California, Morgan Stanley Smith Barney Global Impact Funding Trust, Newseum, Rockefeller Philanthropy Advisors, Ronald Reagan Presidential Foundation, Sanford Health, Scripps Foundation for Medicine and Science, Smith Center for the Performing Arts*, and *United Jewish Communities of MetroWest*. The ruling year from GuideStar was used for the now defunct *AmeriDebt*. The remaining nine charities where the founding date was obtained from GuideStar were *United Way* affiliates.

[53] The Form 990 date of formation was retained for *Food Lifeline*.

[54] Wikipedia provided the founding dates of the *National Heritage Foundation* and the *State University of New York Cornell Statutory Colleges*.

[55] The founding year of the older *Academy for Educational Development* was retained when merged with *Family Health International* to form *FHI 360*.

[56] *Coral Ridge Ministries Media* claimed on their website more than 35 years of ministry impact, creating the estimate of their founding year as 1978, which corresponds with the initiation of the televised *Coral Ridge Hour,* as noted at http://en.wikipedia.org/wiki/Coral_Ridge_Presbyterian_Church, visited on February 28, 2015.

initial publication of the rankings. Similarly, many hospitals and universities persisting in all years of the rankings were leading recipients of private support long before the first publication of the rankings.

Creating Comparable Longitudinal Records

As the issues just outlined indicate, the rankings as published by *The Chronicle* are unsuitable for analysis and require adjustment. Given the publication deadlines, the appropriate data were not always available in time for the rankings. Timeliness of data submitted required shifting data between ranking years to align fiscal year ends. Data voids created by shifting data and years in which charities were not included in the published rankings required systematic efforts to fill data voids. Data to fill voids were identified through four systematic reviews and were sourced from financial disclosures and, in a small minority of cases, calculated data. No adjustments were made for accounting rule changes, although care was taken to ensure that the data used for the longitudinal record of any individual charity were prepared on the same accounting basis.

Fiscal year consistency in each ranking year and calculated figures. Inconsistent timing of the financial data in the published rankings presented a significant challenge. Fully contemporaneous data reported by corporations of any kind, including among charities, is unattainable due to their ability to choose the date for their fiscal year end. However, overlap in the period used in each ranking year minimized the effects of wider economic conditions. As noted earlier with the negative values affecting reported total income occurring more frequently in years of economic recession, wider economic conditions can have substantial impacts on charity finances.

Ensuring data represented a consistent time period for each ranking year necessitated shifting some reported financial data between ranking years. Shifting data to the appropriate ranking year and filling vacant data fields proved to be an involved process. The standard fiscal year end for the rankings set by *The Chronicle* is April 1 - March 31. However, the published rankings contained an average of 18 charities based on data reflecting operations outside the standard fiscal year. A single exception was made for data that could not be shifted.[57] Movement of data between years contributed to the elimination of some charities from the data used for analysis, because they fell below 400th position when the figures were shifted to the appropriate time period. In three cases, the change in a fiscal year end from March 31 to June 30 resulted in the omission of an observation for those charities, because three months are inadequate to project a year's worth of data.[58]

Charities sometimes change their fiscal year end. During the study period, 258 charities changed fiscal year ends, with an average of 10.6 charities changing fiscal year ends in any year. Any reported fiscal year different from 12 months was verified using Forms 990. For charities changing fiscal year end that created a reporting period less than ten months or longer than fourteen months, the figure was adjusted to a 12-month period using a simple proportional adjustment, by dividing the financial information by the number of months in the reported period and multiplying that figure by 12; this

[57] For the 2001 ranking, the *Mennonite Central Committee* changed its fiscal year end from November 30 to March 31. The March 31, 2000 data reported for the 2001 ranking could not be moved to the 2000 ranking, since the November 30, 1999 data were used for that ranking. Because the *Mennonite Central Committee* is a religious charity, the 2001 data were not available from another source, so the 2000 data were retained.

[58] These March to June fiscal year end change omissions affected *Natural Resources Defense Council* in 1994, *United States Fund for UNICEF* in 2000, and *Direct Relief International* in 2009.

adjustment assumed no seasonality in the data. No adjustments were made for fiscal year end changes that created a reporting period between ten and fourteen months.

Carryover data refers to a situation where *The Chronicle* used the same data in successive years, rather than omitting a charity from one year's rankings. Two adjustments replaced carryover data. Where Form 990 or financial statement figures matched ranking data in other years, time-appropriate data replaced the carryover data. In cases where carryover data had no replacement data available, calculated data replaced them. Calculated data mostly used the arithmetic average of the year preceding and the year after the data replaced.[59]

Two other situations required use of calculated data, rather than an actual figure reported in a financial disclosure. In instances where a string of reported data left void observations at either end, trendlines were calculated using the reported data. In instances where partial reports for affiliated networks were available, proportional estimates were calculated for the entire network. For example, if the headquarters location received a consistent percentage of a network's private support, then this percentage was used for years where the headquarter's private support was known, and no consolidated figure for the entire network was available. Spot checks confirmed that both trendlines and proportional estimates consistently predicted known values.

Compiling the study data placed a premium on reported data over calculated data. As shown in Table A1.2, calculated data comprised only 2% of all observations. If these calculations prove inaccurate, this small percentage of calculated data is not expected to

[59] For instance, *Catholic Charities* and *Lutheran Services of America* did not publish financial statements every year. *Catholic Charities* did not compile consolidated financials in 2002 due to limited staff time, but this charity was ranked in every other year and never ranked lower than 14th position. In this case, the average of the 2001 and 2003 data replaced the 2002 data. A similar procedure interpolated figures for *Lutheran Services of America* for ranking years 2010 and 2012 when carryover data were published.

skew the analytical results. Table A1.2 also enumerates that half the study data originated from Forms 990 and a third from data supplied by *The Chronicle*. Of the remaining observations, 7% came from other financial statements, including audited financial statements, annual reports, and data made available by ECFA and the VSE. Of the 27,525 potential observations, 10% were omitted, because the charity had not yet been formed, the charity had gone defunct, the change in fiscal year end left no data for a single year, or no credible data could be found or calculated for a particular observation.

Table A1.2. Sources of Data Used: All Observations for 1,101 Charities for 25 Years

Source of data	Study data presence	
Supplied by *The Chronicle* published rankings, shifted data, subsequent updates	33%	n = 8,993
Form 990 Statistics of Income, Core Files, GuideStar, charity websites	48%	n = 13,192
Other Financial Statements audited financials, annual reports, ECFA, VSE	7%	n = 2,022
Calculated average, trendline, proportional estimate, fiscal year end adjustment	2%	n = 649
Omitted not yet formed, defunct, fiscal year end change, no credible data	10%	n = 2,669
Total	27,525 observations	

Accounting changes. Although accounting changes may significantly impact reported results, preparation of data did not adjust for accounting rule changes, reporting requirements, or reporting practices. Changes in rules for how to account for earmarked or designated gifts between 1999 and 2001 especially affected federated fundraising charities (Lipman, 1999; Voelz & Larose, 2001). FASB introduced rule changes in 1993, 1996, and 1997 that merited note in the methods section for the Philanthropy 400 (Blum, 1996; Dickey & Morris, 1997; Moore & Brown, 1993). An assumption was made that

accounting rule changes affected different charities equivalently. Differences in the reporting requirements for Form 990 and GAAP include how to account for pledges not yet received; GAAP allows accounting for the full value of pledges when made, while the Form 990 only allows accounting of gifts actually received (Pollak, 2006). This accounting difference typically creates greater volatility in year-to-year private support for charities using GAAP compared to Form 990 rules, because large pledges can be reported the year the pledge is made, rather than the years over which a pledge is fulfilled. Recognizing these differences, data from audited financial statements were only used when other years of data matched the data submitted for the rankings.

Some restated financial information was incorporated into the data, but restated financial information was not systematically sought from all ranked charities. When restatements were footnoted by *The Chronicle* or made the news, such as with the *Clinton Foundation*, restated figures were sought to replace initially published figures. Restatements particularly affected charities heavily dependent on in-kind donations. Starting in 2009, valuation of gifts-in-kind donations dramatically shrank in the wake of the IRS fine levied for overstatements against *Food for the Hungry* (Barrett, 2012; Preston, 2012a, 2012b). *Operation Compassion* amended their Forms 990 for 2008-2012, reducing income by an average of 17% each year, and these amended figures replaced published data for analysis. Restatement of *World Help's* financials reduced private support sufficiently to eliminate this charity from the rankings altogether.[60] Notes in the methods sections published with the rankings further identified that *Direct Relief International* changed its accounting practices (Barton, 2010), and that *Feed the Children*

[60] The restated financials reduced private support for fiscal year 2010 from $119 million to $16.7 and in 2011 from $235 million to $17 million. These decreases represented reductions of 86% and 93%, respectively (R. Jones, 2013).

valued donations of certain drugs more conservatively (Barton, 2011). *Brother's Brother Foundation* changed accounting methods for in-kind gifts in their 2009 fiscal year without restating figures from previous years (Hingson, 2015). For a charity that typically receives over 99% of private support from in-kind donations, this accounting change created a major impact, reducing private support 75% and dropping the charity from 6th in the 2009 ranking to 59th in the 2010 ranking.

Backfilling data voids. Voids in the data necessitated backfilling with data from other sources. The primary reason for data voids was the charity being excluded from the rankings, either because they did not qualify or they were overlooked. The voids necessitated consulting external data sources to see if the charity should have been ranked in these years. Data from the VSE, Forms 990, and audited financial statements proved useful. Figures compared between the Philanthropy 400 and the external sources ensured consistent scope in reporting through use of equivalent data for other years.

Each year, the published rankings omitted charities for several reasons. Some charities did not provide data to *The Chronicle*. Commonly, charities were omitted from the published rankings simply because *The Chronicle* was unaware of the amount of private support they received. Omissions in the early years of the published rankings included notable charities, such as *Public Broadcasting System, National Association for the Exchange of Industrial Resources*, and *Brigham Young University*. In other cases, charities were omitted, because they did not respond to *The Chronicle's* survey, and no other source of data was available. Some charities stopped reporting consolidated financial information for their organizational network. As previously noted, the *YWCA* stopped providing consolidated financial information to *The Chronicle* after the 2007

ranking. The *YWCA* was included in the rankings every year between 1991 and 2007; its lowest ranking was 120th position and private support ranged from $120 to $297 million.[61] In many of these cases, data were located or calculated to fill the empty observations. While the temptation may arise to simply add the data from Forms 990 of affiliates of these networks, transfer payments between affiliates may cause the sums to differ substantially from the true consolidated financial figures.

Data voids occurred primarily because charities were not yet born or went defunct. The 90% data fill rate for private support for all study years was nearly matched by total income data. However, omitted data for total income were related to field of operation for charities. Total income data for the 400 ranked charities have an average annual fill rate of 96.6% (n = 386), ranging from 94.3% to 98.8% (n = 377 to 395). When considering the study population, the fill rate for total income for all charities reporting private support in any ranking year is an average of 87.6% (n = 961 of 991), ranging from 77.5% (n = 850 of 879) to 93.0% (n = 1,020 of 1,052). Of the 50 charities omitting at least one total income report, 44 were in the field colleges and universities, reflecting that only private support data were collected by the VSE. Two hospitals and medical centers affiliated with the University of Texas also omitted total income reports. Omission of total income reports also included two charities in the field social service and one each community foundation and education.[62] However, of these 50 charities, only 20 provided

[61] These figures are not adjusted for inflation. In the case of the *YWCA*, estimates of consolidated figures for the organizational network were made by measuring the ratio between the private support and total income figures for the *YWCA of the USA* national headquarters location to the figures reported in both the Philanthropy 400 and *NPT Top 100* rankings. These average ratios were then used to multiply data from the national headquarters Form 990 to add missing data from ranking years 2008 through 2014 and replace carryover data in ranking years 2001 and 2007.

[62] Of the *Social Service* charities not reporting total income for all years, *NeighborWorks America* does not prepare consolidated financial information for their organizational network for total income (McAllister, 2015). Similarly, *Knowledge is Power Program (KIPP)* also does not make widely available any

insufficient data to make meaningful calculations involving total income. Of these 20, 16 were public universities and the remaining four were *Social Service* and *Education* charities. Four additional charities were only ranked one or two years, preventing the calculation of meaningful trendlines involving ranking number, private support, or total income.[63]

Addition of and exclusion of charities. Five systematic reviews conducted in the following sequence added charities that should have been ranked by virtue of the private support received, but they were overlooked. The first review evaluated three charities not responding to requests for data from *The Chronicle* specifically mentioned in the methods section of the Philanthropy 400, resulting in one addition to the study population (Barton, 2006, 2008).[64] The second review examined 201 charities founded since 1975 and that have generated more than $50 million annually in total income, adding five charities to the study population (Kim & Bradach, 2012). The third review examined the 40 charities included in the *Nonprofit Times* Top 100 rankings since 1989 omitted from the Philanthropy 400, adding 11 charities to the study population. The fourth review examined all charities included in the IRS Statistics of Income files archived by NCCS since 1990, adding a further 289 charities to the study population. The fifth review examined announced gifts recorded in the Million Dollar List, adding four charities first

---

consolidated financial information for their organizational network. Financial data for the defunct *Future Homes Assistance Program* were difficult to locate.

[63] *Jewish Community Centers Association of North America* and *University of California at San Francisco Stanford Health Care* were both ranked only one year and *United Church of Christ* and *One Fund Boston* were both only ranked twice. No data were available for any of these charities for other than the years ranked. Since *One Fund Boston* received the majority of its private support in 2013 after the Boston Marathon bombings and dissolved in December 2015, attempts to calculate trendlines would be meaningless.

[64] Of these three charities, *Diana Helis Henry Medical Research Foundation* and *Omaha Performing Arts Society* did not make the top 400 positions, while *Urban Hospital Care Plus* should have been ranked from 1993 to 2004.

ranked in 2013 or 2014.[65] Of these 310 charities added to the study population, 271 were ranked three or fewer years, and several charities ranked more than three years existed only a short time, dissolving shortly after their mission was fulfilled.[66]

Some large charities with many affiliates never reported consolidated financial figures. Among the largest of these, the *Society of St. Vincent de Paul* has over 1,100 affiliates and refers on their annual reports to operational income and service expenses valued in the hundreds of millions of dollars. Other charities may have been ranked if they reported consolidated financial figures for their organizational network, including *Parent Teacher Associations* and *4-H Clubs*. However, having hundreds of affiliates does not guarantee large amounts of private support. The *National Wild Turkey Federation* exemplifies a charity with thousands of separately incorporated affiliates that generate private support for their organizational network averaging around $1 to 2 million annually, generating most of its revenue from membership fees.[67]

This section detailed significant adjustments to the published rankings to create the data used in the analysis. After completing data shifting and additions, 1,101 charities received private support equal to or greater than the 400th ranked charity in at least one ranking between 1991 and 2015. Of all the charities included in the published rankings, 146 were eliminated due to the increasing threshold for 400th position. Of the 146

[65] The Million Dollar List is published by the Indiana University Lilly Family School of Philanthropy, and was downloaded on February 9, 2016 from http://www.milliondollarlist.org/.

[66] For instance, the Olympic Organizing Committees for Atlanta and Salt Lake City dissolved shortly after their events and were ranked for five and four years for receiving $375 million and $592 million in private support during the study period, respectively. *Ameriflora 1992, Shanghai Expo 2010,* and *Donors Trust for the Omaha Arena* are other charities that received substantial private support and then dissolved shortly after the conclusion of their events. Disasters also generated substantial private support. Overlooked for the rankings, but receiving support worthy of ranking were *Twin Towers Fund, New York Firefighters 9-11 Disaster Relief Fund, New York Police and Fire Widows & Children's Benefit Fund, Bush-Clinton Katrina Fund, Road Home Corporation,* and *One Fund Boston*.

[67] Figures for the *National Wild Turkey Federation* reflect consolidated financial statements for 2013 and 2014.

charities eliminated from the study population, 59 actually surpassed the 400th position threshold for at least one ranking, but were eliminated for other reasons. Of those eliminated, 56 were *United Way* affiliates.[68] Five additional charities were combined with charities with which they merged.[69] *St. Vincent Fishers Hospital* was eliminated, because all but $20,778 of the $65,596,889 reported private support that qualified the charity for the 2015 ranking reflected the transfer of existing hospital assets to this newly created affiliate. *American Dental Association* was deleted from the analysis, because this organization is recognized as a 501(c)(6) and should not have been included in the published rankings.[70] All other charities were retained in the data, including 25 charities that went defunct.

[68] Four *United Way* affiliates would have been excluded with the increased thresholds for 400th position.
[69] The five eliminated charities that merged with other charities included *Community Foundation of Silicon Valley, Tides Center/Foundation, Scripps Foundation for Medicine and Science, Rush University,* and *Fund for Johns Hopkins Medicine.*
[70] The American Dental Association was included in the 2012 rankings with $55 million in private support, of which $53.7 million was membership dues.

Appendix 2: Lists of Charities Ranked in the Philanthropy 400

This appendix contains two tables arranged alphabetically by charity name. Table A2.1 names all 1,101 charities included in the Philanthropy 400 study population after updates were made by adding charities that should have been ranked but were omitted from the published rankings. Included for each charity is the year the charity was founded along with the number of years the charity received enough private support to be included in the rankings. Table A2.2 names 138 charities included in the published rankings, but omitted from the updated rankings due to not being above 401st position or being a *United Way* affiliate, along with the year the charity was founded.

Table A2.1. All Charities Ranked in the Philanthropy 400 Using Updated Data

Charity Name	Year Founded	Number of years ranked
AARP Foundation	1961	3
Abilene Christian University	1906	1
AbilityFirst	1926	1
Adirondack Historical Association	1955	1
Adventist Development and Relief Agency International	1956	5
Aeras Global TB Vaccine Foundation	1997	1
Aga Kahn Foundation USA	1981	2
Alabama Children's Hospital Foundation	1911	1
Alfred E Mann Institute for Biomedical Engineering at USC	1998	1
Alfred University	1857	1
Allegheny-Singer Research Institute	1977	1
Allen Institute for Brain Science	2003	2
Alliance for a Green Revolution in Africa	2006	5
Alliance for Climate Protection: The Climate Reality Project	2005	1
Alzheimer's Association	1980	25
Amar Infinity Foundation	1997	1
Ambassador College	1947	2
American Associates Ben-Gurion University of the Negev	1973	1
American Association for Cancer Research	1907	3
American Bible Society	1816	10
American Cancer Society	1913	25
American Civil Liberties Union Foundation	1920	15

American Committee for the Weizmann Institute of Science	1944	20
American Diabetes Association	1940	25
American Endowment Foundation	1993	5
American Enterprise Institute for Public Policy Research	1943	1
American Foundation for AIDS Research	1985	4
American Friends of Bar-Ilan University	1953	19
American Friends of the Hebrew University	1925	12
American Friends of the Israel Museum	1972	2
American Friends Service Committee	1917	10
American Heart Association	1924	25
American Hebrew Academy	1996	1
American Indian College Fund	1989	1
American Institute for Cancer Research	1982	9
American Jewish Committee	1906	8
American Jewish Joint Distribution Committee	1914	25
American Jewish World Service	1985	1
American Kidney Fund	1971	13
American Lebanese Syrian Associated Charities/Saint Jude Children's Research Hospital	1962	25
American Lung Association	1904	22
American Museum of Natural History	1869	23
American Near East Refugee Aid	1968	2
American Red Cross	1881	25
American Society for Technion-Israel Institute of Technology	1940	25
American Society for the Prevention of Cruelty to Animals	1866	10
American University	1893	1
American University of Beirut	1863	1
American Youth Soccer Organization	1964	1
American-Nicaraguan Foundation	1992	16
Americans for the Arts	1960	1
AmeriCares Foundation	1982	25
AmeriDebt	1997	3
Ameriflora 1992	1986	3
Amherst College	1821	11
Amnesty International USA	1961	9
Anchorage Museum Foundation	1989	1
Ann & Robert H. Lurie Children's Hospital of Chicago	1986	14
Anti-Defamation League	1913	20
Arizona Community Foundation	1978	12
Arizona State University at Tempe	1885	25
Armand Hammer United World College of the American West	1982	1
Armenian General Benevolent Union	1906	2
Art Institute of Chicago	1879	19

Arthritis Foundation	1948	25
Asbury Theological Seminary	1923	1
Ashoka	1980	1
Asia Foundation	1955	3
Aspen Institute	1950	6
Association of Graduates of the United States Military Academy	1869	1
AT&T Performing Arts Center	2000	2
Atlanta Committee for the Olympic Games	1987	5
Atlanta Community Food Bank	1979	7
Auburn University	1856	25
Auditory Learning Foundation	2002	1
Audubon Nature Institute	1916	1
Autism Speaks	2005	2
Autry National Center Of The American West	1988	1
Ave Maria University	1998	3
Ayco Charitable Foundation	1995	16
Babson College	1919	2
Ball State University	1899	1
Baltimore Community Foundation	1972	2
Bank of America Charitable Gift Fund	1955	6
Baptist Health South Florida	1990	15
Barbara Ann Karmanos Cancer Institute	1943	4
Bard College	1860	11
Barnabas Foundation	1976	1
Barnes Foundation	1922	1
Baton Rouge Area Foundation	1964	5
Baylor College of Medicine	1900	24
Baylor University	1849	15
Berea College	1859	2
Berry College	1903	1
Beth Israel Deaconess Medical Center	1896	16
Big Brothers Big Sisters of America	1904	25
Bill, Hillary and Chelsea Clinton Foundation	1997	12
Billy Graham Evangelistic Association	1949	25
Birmingham Southern College	1856	2
Birthright Israel Foundation	1999	7
Blessings International	1981	3
Boston Children's Hospital	1869	24
Boston College	1863	25
Boston Foundation	1915	18
Boston Medical Center	1873	1
Boston Symphony Orchestra	1881	2
Boston University	1839	25

Bowdoin College	1794	5
Boy Scouts of America	1910	25
Boys & Girls Clubs of America	1906	25
Bradley University	1897	1
Braille Institute of America	1919	1
Brandeis University	1948	23
Breast Cancer Research Foundation	1993	1
Brigham Young University	1875	25
BrightFocus Foundation	1973	1
Brighton Marine Health Center	1981	6
Broad Institute	2003	5
Broadlawns Medical Center	1969	1
Brookings Institution	1916	7
Brother's Brother Foundation	1958	25
Brown University	1764	25
Bryn Mawr College	1885	5
Buckner International	1879	1
Burnham Institute for Medical Research	1976	2
Bush-Clinton Katrina Fund	2005	1
Butler University	1850	1
Cal Farley's Boys Ranch	1939	3
California Academy of Sciences	1853	2
California Association for Research in Astronomy (W.M. Keck Observatory)	1985	3
California Community Foundation	1915	22
California Family Health Council	1968	3
California Health Foundation and Trust	1956	3
California Institute of Technology	1891	25
California Institute of the Arts	1964	1
California Polytechnic State University at San Luis Obispo	1903	3
California State University at Long Beach	1949	6
California State University system	1960	25
Calvin College	1876	1
Cameron Foundation	2003	1
Camp Fire USA	1910	15
Campaign for Tobacco-Free Kids (National Center for Tobacco-Free Kids)	1996	2
Cantor Fitzgerald Relief Fund	2001	1
Cape Cod Healthcare Foundation	1996	1
Capstone Christian School	2004	1
CARE	1945	25
Caring Voice Coalition	2003	1
Carleton College	1866	1

Carnegie Hall Corporation	1891	18
Carnegie Institute	1896	4
Carnegie Mellon University	1900	25
Carolinas Healthcare Foundation	1959	3
Carter Center	1982	25
Cary Academy	1995	1
Cary Institute of Ecosystem Studies	1983	1
Cascade Health (Willamette Community Health Solutions)	1955	1
Case Western Reserve University	1826	25
Casey Trees	2001	1
Catholic Charities USA	1910	25
Catholic Medical Mission Board	1928	25
Catholic Relief Services	1943	25
CBInternational	1943	1
Cedars-Sinai Medical Center	1902	18
Centenary College of Louisiana	1825	1
Central European University	1991	1
Central Indiana Community Foundation	1916	3
Central Park Conservancy	1979	1
Centro Internacional de Agricultura Tropical Apartado Aereo 6713	1967	3
Charities Aid Foundation America	1992	3
Charles Koch Institute	2011	2
Charleston Area Medical Center Foundation, Inc.	1976	1
Chemical Heritage Foundation	1987	2
Chicago Community Trust	1915	21
Chicago Symphony Orchestra	1890	4
Chicago Zoological Society (Brookfield Zoo)	1921	2
ChildFund International	1938	25
Children International	1936	25
Children's Aid Society	1853	1
Children's Healthcare of Atlanta Foundation	1928	16
Children's Hospital Foundation-Denver	1908	3
Children's Hospital Foundation-Washington	1865	8
Children's Hospital Los Angeles	1901	17
Children's Hospital Medical Center-Cincinnati	1883	19
Children's Hospital of Michigan Foundation	2003	1
Children's Hospital of Orange County	1964	1
Children's Hospital of Philadelphia	1855	15
Children's Hospital of The King's Daughters, Inc.	1961	1
Children's Hunger Fund	1991	16
Children's Mercy Hospital-Kansas City	1897	4
Children's Museum of Indianapolis	1925	1

Children's Scholarship Fund	1993	1
Choate Rosemary Hall	1890	1
Choco Realty	1964	1
Christian Aid Ministries	1981	22
Christian and Missionary Alliance	1884	21
Christian Appalachian Project	1964	25
Christian Blind Mission International	1961	7
Christian Broadcasting Network	1960	25
Christian Relief Services Charities	1985	11
Christopher and Dana Reeve Foundation	1982	1
Church World Service	1946	16
Cincinnati Museum Association	1881	1
Cincinnati Symphony Orchestra	1894	1
CIS Development Foundation	1994	4
Citadel Trust	1842	1
Citihope International	1985	14
City Center of Music & Drama	1943	1
City College 21st Century Foundation	1995	1
City College of City University of New York	1847	3
City Harvest	1982	5
City of Hope	1913	25
City of Muskogee Foundation	2008	1
City University of New York/Hunter College	1870	1
CityArchRiver 2015 Foundation	2009	1
Civic Capital Corp	1999	1
Claremont McKenna College	1946	2
Clark College	1933	1
Clarkson University	1896	1
Clemson University	1893	20
Cleveland Clinic Foundation	1921	25
Cleveland Foundation	1914	13
Cleveland Museum of Art	1913	6
ClimateWorks Foundation	2008	7
Colby College	1813	4
Cold Spring Harbor Laboratory	1890	10
Colgate University	1820	2
College for Creative Studies	1906	1
College of the Holy Cross	1836	1
College of William and Mary	1693	11
College Success Foundation	2000	2
Colonial Williamsburg Foundation	1926	6
Colorado Heights University	1896	1
Colorado State University	1879	3

Columbia University	1754	25
Columbus Foundation	1943	25
Columbus Medical Association Foundation	1958	1
Columbus State University	1958	1
Combined Jewish Philanthropies of Greater Boston	1895	25
Communities Foundation of Texas	1953	20
Community Foodbank of New Jersey	1975	13
Community Foundation for Greater Atlanta	1951	17
Community Foundation for Northeast Florida	1988	1
Community Foundation for Palm Beach and Martin Counties	1972	3
Community Foundation for Southeast Michigan	1984	12
Community Foundation for the Fox Valley Region	1986	1
Community Foundation for the National Capital Region	1973	14
Community Foundation of Greater Memphis	1969	7
Community Foundation of Jackson Hole	1994	1
Community Foundation of Louisville	1916	4
Community Foundation of Middle Tennessee	1991	8
Community Foundation of New Jersey	1979	3
Community Foundation of Sarasota County	1979	1
Community Foundation of Tampa Bay	1989	1
Community Foundation of Western Massachusetts	1991	1
Community Foundation Serving Richmond and Central Virginia	1968	6
Community Health Charities (National Voluntary Health Agencies)	1957	8
Community Hospital of the Monterey Peninsula	1928	8
Compassion International	1965	25
Connecticut Children's Medical Center	1921	1
Connecticut College	1911	1
Conservation Fund	1985	20
Conservation International	1987	14
Conservation Services Group	1984	5
Consumers Union of United States	1936	1
Convoy of Hope	1994	5
Coral Ridge Ministries Media	1978	10
Cornell University	1865	25
Counterpart International	1965	3
Covenant House	1972	22
Creighton University	1878	3
Crista Ministries	1948	11
Cross International Alliance	2001	12
Cru	1951	25
Culver Educational Foundation	1894	2
Currier Museum of Art	1919	1

Curtis Institute of Music	1924	1
Cystic Fibrosis Foundation	1955	25
Dallas Foundation	1929	4
Dallas Museum of Art	1940	2
Dallas Symphony Association	1945	3
Dana-Farber Cancer Institute	1947	22
Daniel Drake Center for Post-Acute Care	1851	5
DARE America	1989	3
Dartmouth College	1769	25
David H Murdock Research Institute	2007	1
Davidson College	1837	3
Dayton Foundation	1921	18
Deborah Hospital Foundation	1974	2
Deerfield Academy	1797	2
Denver Art Museum Foundation	1893	1
Denver Foundation	1925	8
DePauw University	1837	9
Detroit Institute of Arts	1885	5
Dignity Health	1986	25
Direct Relief International	1948	21
Disabled American Veterans	1920	25
Doctors Without Borders USA/Médecins Sans Frontières USA	1971	16
Domestic and Foreign Missionary Society of the Episcopal Church (Episcopal Church of the U.S.A.)	1607	5
Donald Danforth Plant Science Center	1998	3
Donors Capital Fund	1999	3
Donors Trust	1999	1
Donors Trust (Omaha Arena/Convention Center)	2000	1
Downtown Now	1999	1
Drake University	1881	1
Drexel University	1891	6
Drexel University College of Medicine	1848	4
Ducks Unlimited	1937	25
Duke University	1859	25
East Bay Community Foundation	1928	5
Easter Seals	1919	25
Eastern Virginia Medical School	1973	1
Economic Development Partnership of Alabama Foundation	1994	1
Edison Institute, Inc. dba The Henry Ford	1929	1
Educational Media Foundation	1995	12
Eisenhower Medical Center	1966	5
Elizabeth Gamble Deaconess Home Association	1891	1
Elizabeth General Medical Center	1984	1

Elkhart County Community Foundation	1989	1
Emory University	1836	25
Energy Foundation	1991	9
Ensworth School	1958	1
Entertainment Industry Foundation	1942	6
Environmental Defense Fund	1967	22
Epilepsy Foundation of America	1967	4
Episcopal Senior Communities	1965	5
Erie Community Foundation	1935	1
Essex County College	1966	1
Eternal Word Television Network	1981	2
Evangelical Lutheran Church in America Foundation	1988	3
Fairfield University	1942	2
Faith in the Future Fund	1996	1
Father Flanagan's Boys' Home	1917	24
Federation of Jewish Communities of the CIS	1998	3
Feed the Children	1979	25
Feeding America	1979	25
Fellowship of Christian Athletes	1954	10
Fernbank	1939	1
FHI 360 / Academy for Educational Development	1961	16
Fidelis Educational Net	2007	1
Fidelity Charitable Gift Fund	1991	23
Fine Arts Museums of San Francisco	1894	5
First Book	1992	6
FJC-A Foundation of Philanthropic Funds	1995	1
Florida Bar Foundation	1956	2
Florida Institute of Technology	1958	1
Florida State University	1857	19
Focus on the Family	1977	25
Food Bank of Central & Eastern North Carolina	1980	12
Food Bank of the Rockies	1978	1
Food for the Hungry	1971	15
Food for the Poor	1982	25
Food Lifeline	1979	2
Foothills Land Conservancy	1985	3
Fordham University	1841	4
Forgotten Harvest	1990	3
Foundation for Advanced Research	1984	2
Foundation for the Carolinas	1944	24
Foundation for the National Institutes of Health	1996	8
Foundation of the University of Medicine & Dentistry of NJ	1974	1
Franklin institute	1824	1

Franklin W. Olin College of Engineering	1999	2
Fred Hutchinson Cancer Research Center	1975	6
Friends of the Israel Defense Forces	1981	6
Fuller Theological Seminary	1947	1
Furman University	1826	2
Futures Home Assistance Program	2001	2
Gallaudet University	1864	1
Gary and Mary West Health Institute	2009	1
Gas Technology Institute	1942	1
GAVI Campaign	1999	5
Gay Men's Health Crisis	1982	6
George Kaiser Family Foundation	1999	13
George W. Bush Foundation	2006	4
George Washington University	1821	21
Georgetown University	1789	25
Georgia Aquarium	2000	1
Georgia Institute of Technology	1885	25
Georgia O'Keeffe Museum	1995	2
Girl Scouts of the USA	1912	25
Girls Incorporated	1864	23
Gleaning for the World	1998	3
Global Communities	1952	5
Global Fund to Fight AIDS Tuberculosis and Malaria	2002	7
Global Impact	1956	8
Globus Relief	1996	2
Goldman Sachs Charitable Gift Fund	2007	6
Goldman Sachs Philanthropy Fund	2001	12
Good Days (Chronic Disease Fund)	2003	8
Good360	1984	25
Goodwill Industries International	1902	25
Goshen College	1894	1
Grady Memorial Hospital Corporation	1892	5
Greater Chicago Food Depository	1978	17
Greater Cincinnati Foundation	1963	11
Greater Des Moines Community Foundation	1969	1
Greater Horizons	2004	5
Greater Houston Community Foundation	1971	10
Greater Kansas City Community Foundation	1978	23
Greater Miami Jewish Federation	1938	11
Greater Milwaukee Foundation	1915	4
Greater Texas Foundation	1973	1
Greenlands Reserve	1999	1
Greenpeace Fund	1971	3

Greenwich Hospital	1903	1
Guthrie Theatre Foundation	1963	1
Habitat for Humanity International	1976	25
Hadassah, the Women's Zionist Organization of America	1912	25
Hanover College	1827	1
Harding University	1924	1
Harlem Children's Zone	1970	5
Harris myCFO Foundation	2000	1
Hartford Foundation for Public Giving	1925	3
Harvard University	1636	25
Harvesters-the Community Food Network	1979	4
Haverford College	1833	1
Hawaii Community Foundation	1916	5
Health Research	1953	17
Healthcare Foundation of Greater Kansas City	2003	1
Healthone	1980	1
Healthwell Foundation	2003	6
Heart to Heart International	1992	18
Hebrew Home for Aged Disabled	1871	2
Heifer International	1944	14
Helen Keller International	1915	3
Help Hospitalized Veterans	1971	4
Help the Children	1982	22
Henry Ford Health System	1915	15
Heritage Foundation	1973	19
Hillsdale College	1844	12
Hilton Head Island Foundation	1990	1
Hispanic Scholarship Fund	1975	2
Hospital Sisters of Saint Francis Foundation	1984	1
Hospital for Special Surgery	1863	2
House Research Institute	1946	1
Houston Food Bank	1982	13
Howard University	1867	6
HudsonAlpha Institute for Biotechnology	2004	1
Human Rights Watch	1978	4
Humane Society of the United States	1954	25
Huntington Library, Art Collections, and Botanical Gardens	1919	4
Huntington Memorial Hospital	1892	1
Huntsman Cancer Foundation	1995	1
Illinois Institute of Technology	1940	7
In Touch Ministries	1982	25
Indiana Symphony Society	1937	1
Indiana University System	1820	25

Indianapolis Museum of Art	1883	3
Inspirational Network	1990	1
Institute for Advanced Study	1930	1
Institute of International Education	1919	24
Institute of Paper Chemistry Foundation	1929	2
Interchurch Medical Assistance	1960	19
International Aid	1981	22
International AIDS Vaccine Initiative	1996	1
International Fellowship of Christians and Jews	1983	12
International Food Policy Research Institute	1975	5
International Institute of Tropical Agriculture	1972	7
International Lutheran Laymen's League	1917	5
International Medical Corps	1984	6
International Relief & Development	1998	8
International Rescue Committee	1933	19
International Youth Foundation	1990	1
InterVarsity Christian Fellowship	1941	25
Iowa State University	1858	23
Ipas	1973	1
Islamic Relief USA	1993	8
Ithaca College	1892	2
Japan International Christian University Foundation	1948	1
Japan Society	1913	1
Jarvis Conservatory	1974	1
Jazz at Lincoln Center	1987	1
JB Speed Art Museum	1933	1
JDRF International	1970	24
Jewish Board of Family & Children's Services	1921	1
Jewish Communal Fund	1972	25
Jewish Community Centers Association of North America	1854	1
Jewish Community Federation of San Francisco, the Peninsula, Marin, and Sonoma Counties	1910	24
Jewish Community Foundation of Los Angeles	1954	16
Jewish Community Foundation of San Diego	1967	11
Jewish Family Services-Los Angeles	1854	1
Jewish Federation of Cleveland	1875	20
Jewish Federation of Greater Atlanta	1906	7
Jewish Federation of Greater Indianapolis	1904	1
Jewish Federation of Greater Los Angeles	1960	18
Jewish Federation of Greater Philadelphia	1901	12
Jewish Federation of Greater Washington	1925	10
Jewish Federation of Palm Beach County	1962	7
Jewish Federation of Saint Louis	1901	2

Jewish Federation of South Palm Beach County	1979	4
Jewish Federation/Jewish United Fund of Metropolitan Chicago	1900	25
Jewish Federations of North America	1935	25
Jewish Museum	1952	1
Jewish National Fund	1901	11
Jewish Theological Seminary of America	1886	6
Jimmy Swaggart Ministries	1975	2
John F. Kennedy Center for the Performing Arts	1971	14
John Randolph Foundation	1991	1
Johns Hopkins University	1876	25
Joslin Diabetes Center	1898	1
JSI Research & Training Institute	1979	2
Juilliard School	1905	6
Junior Achievement Worldwide	1916	25
K.I.D.S. Fashion Delivers	1985	12
Kansas State University	1863	22
Kare Youth League	1931	1
KCET/Community Television of Southern California	1964	16
Keio Academy of New York	1988	1
Kids in Need Foundation	1995	2
Kimmel Center	1996	1
Kingsway Charities	1993	18
Knowledge is Power Program	1994	2
KQED	1954	10
Lafayette College	1826	1
Lakeside School	1919	2
Laureate Psychiatric Clinic and Hospital	1988	1
Lawrenceville School	1810	4
Lehigh University	1865	12
Lehigh Valley Hospital	1971	1
Lester E. Cox Medical Center	1906	1
Leukemia & Lymphoma Society	1954	25
Liberty Science Center	1982	1
Liberty University	1971	5
Lieber Institute	2008	1
Life for Relief & Development	1992	2
Life Outreach International	1971	16
Lifespan (Rhode Island Hospital)	1863	2
Lighthouse International	1906	1
Lincoln Center Development Project	2001	4
Lincoln Center for the Performing Arts	1959	14
Lincoln Center Theater	1979	1
Lions Clubs International Foundation	1968	9

Living Stream	1965	1
Local Initiatives Support Corporation	1980	19
Loma Linda University	1905	8
Los Angeles County Museum of Art	1961	7
Los Angeles Mission	1936	3
Los Angeles Philharmonic	1919	2
Los Angeles Regional Foodbank	1973	11
Louisiana State University	1860	10
Loyola Marymount University	1911	5
Loyola University of Chicago	1870	4
Lucile Packard Foundation for Children's Health	1991	7
Lucile Salter Packard Children's Hospital at Stanford	1919	9
Ludwig Institute for Cancer Research	1971	22
Lutheran Services in America	1997	18
Lutheran World Relief	1945	7
Lyric Opera of Chicago	1954	3
Madison Community Foundation	1942	2
Maharishi Global Administration through Natural Law	1967	1
Maharishi Global Development Fund	1997	2
Maharishi University of Management	1988	1
Make-A-Wish Foundation	1980	24
MAP International	1954	25
March of Dimes Foundation	1938	25
Marin Community Foundation	1986	3
Marine Toys for Tots Foundation	1947	17
Marquette University	1881	11
Maryknoll Fathers and Brothers	1906	25
Maryvale (Los Angeles Orphan Asylum)	1856	1
Masonic Homes at Elizabethtown of the Grand Lodge	1871	1
Masonic Homes of California	1918	4
Massachusetts Institute of Technology	1861	25
Matter	2000	2
Matthew 25 Ministries	1990	11
Mayo Clinic	1892	25
McGaw Medical Center of Northwestern University	1966	5
McLaren Macomb (Mount Clemens Regional Medical Center)	1946	2
Medical College of Wisconsin	1893	3
Medical Teams International	1979	20
Memorial Foundation	1994	2
Memorial Sloan Kettering Cancer Center	1884	25
Mennonite Board of Education	1887	1
Mennonite Central Committee	1920	13
Mental Health America	1909	25

Mercer University	1833	2
Mercersburg Academy	1836	1
Mercy Care	1880	2
Mercy Corps	1979	14
Mercy Ships	1978	1
Messiah College	1909	1
Methodist Hospital Foundation	1946	1
Metropolitan Jewish Health System	1907	3
Metropolitan Museum of Art	1870	25
Metropolitan Opera Association	1883	25
Miami University	1824	2
Michael J. Fox Foundation for Parkinson's Research	2000	6
Michigan State University	1855	25
Michigan Technological University	1885	1
Middlebury College	1800	3
Middlesex School	1901	1
Mid-Ohio Foodbank	1980	2
Milken Institute	1989	1
Millennium Promise Alliance	2005	1
Millsaps College	1890	1
Milwaukee Art Museum	1888	1
Milwaukee Jewish Federation	1902	4
Minneapolis Foundation	1915	9
Minneapolis Jewish Federation	1943	2
Minneapolis Society of Fine Arts	1883	1
Minnesota Community Foundation	1949	1
Minnesota Medical Foundation	1939	12
Minnesota Orchestral Association	1907	1
Minnesota Public Radio/American Public Media	1969	2
Mission Aviation Fellowship	1945	1
Mission to the World	1974	16
Mississippi College	1826	1
Mississippi State University	1878	10
Missouri Botanical Garden Board of Trustees	1859	5
Montefiore Medical Center	1884	8
Moody Bible Institute	1901	16
Moody Endowment	1982	1
Morgan Stanley Global Impact Funding Trust	2000	9
Mothers Against Drunk Driving	1980	10
Mount Holyoke College	1837	5
Mount Sinai Medical Center/School of Medicine	1852	25
Mount Vernon Ladies' Association of the Union	1853	1
MPA Foundation	1996	1

Muscular Dystrophy Association	1950	25
Museum of Fine Arts, Boston	1876	15
Museum of Fine Arts, Houston	1924	17
Museum of Modern Art	1929	24
Museum of Nature and Science	1936	2
Museum of the Bible	2010	2
Music Center of Los Angeles County	1964	3
Nackey S. Loeb School of Communications	1999	1
Nashville Symphony Association	1945	1
National Academy of Sciences	1863	16
National Association for the Advancement of Colored People	1909	4
National Association for the Exchange of Industrial Resources	1977	24
National Audubon Society	1905	17
National Cancer Coalition	1993	9
National Children's Cancer Society	1987	2
National Christian Foundation	1982	18
National Constitution Center	1988	1
National Council of the Churches of Christ in the USA	1950	5
National Fish & Wildlife Foundation	1984	5
National Foundation for the Centers for Disease Control & Prevention	1993	1
National Gallery of Art	1937	5
National Heritage Foundation	1994	8
National Institute for Strategic Technology Acquisition and Commercialization	1994	4
National Jewish Health	1899	5
National Kidney Foundation	1950	15
National Merit Scholarship Corporation	1955	15
National Multiple Sclerosis Society	1946	25
National Parks Conservation Association	1919	1
National Philanthropic Trust	1996	14
National September 11 Memorial and Museum at the World Trade Center	2003	3
National Trust for Historic Preservation	1949	2
National Urban League	1910	7
National Wildlife Federation	1936	19
Nationwide Children's Hospital	1971	12
Natural Resources Defense Council	1970	23
Nature Conservancy	1951	25
Navigators	1933	25
Navy-Marine Corps Relief Society	1904	1
NeighborWorks America	1978	3
Nelson Atkins Museum of Art	1933	4

Nemours Foundation	1940	23
Network for Good	2001	8
Nevada Cancer Institute	2002	1
Nevada Community Foundation	1988	1
New American Schools	1991	3
New Hampshire Charitable Foundation	1962	2
New Israel Fund	1979	1
New Life International	1979	1
New World Symphony	1987	2
New York Association for New Americans	1949	5
New York Botanical Garden	1891	9
New York City Ballet	1948	1
New York City Health and Hospitals	1969	1
New York City Opera	1943	1
New York City Partnership Foundation Inc.	1983	1
New York Community Trust	1924	25
New York Firefighters 9-11 Disaster Relief Fund	2001	1
New York Hospital Cornell Medical Center Fund	1956	1
New York Police and Fire Widows & Children's Benefit Fund, Inc.	1985	1
New York Public Library	1895	21
New York Shakespeare Festival	1954	1
New York Times Neediest Cases Fund	1912	1
New York University	1831	25
New York University Langone Medical Center	1998	4
Newseum	2006	4
NewYork-Presbyterian Hospital	1771	23
North Carolina State University	1887	25
North Dakota Community Foundation	1976	1
North Seattle Community College Foundation/American Financial Solutions	1986	4
North Shore Animal League America	1944	8
North Shore-Long Island Jewish Health System Foundation	1955	21
North Texas Food Bank	1982	8
Northeastern University	1898	5
Northern Illinois Food Bank	1983	5
Northwestern Memorial Foundation	1865	1
Northwestern University	1851	25
NPR	1970	23
Nuclear Threat Initiative	2001	1
Oak Hill Foundation	1893	1
Oaks Christian School	1997	1
Oberlin College	1833	1

Ohio State University	1870	25
Ohio University	1808	2
Oklahoma City Community Foundation	1969	2
Oklahoma State University at Stillwater	1890	20
Old Dominion University	1930	1
Old Time Gospel Hour	1967	1
Omaha Community Foundation	1982	20
One Fund Boston	2013	1
Open Space Conservancy	1980	1
Operation Blessing International	1978	22
Operation Compassion	1994	10
Operation Homefront	2002	2
Operation Smile	1982	6
Opportunity International	1971	1
Oral Roberts Ministries	1947	8
Oral Roberts University	1963	1
Orange County Community Foundation	1989	1
Oregon Community Foundation	1973	18
Oregon Food Bank	1982	5
Oregon Health & Science University	1887	20
Oregon State University	1868	23
Orthopaedic Institute for Children Foundation	1918	1
Oshman Family Jewish Community Center	1960	1
Osmond Foundation/Children's Miracle Network	1983	11
Overture Development Corporation	1997	2
Oxfam America	1970	10
P.E.F. Israel Endowment Funds	1922	15
Paley Center for Media	1975	1
Paralyzed Veterans of America	1946	25
Park West Children's Fund, Inc.	1983	1
Partners HealthCare System	1811	25
Partners In Health	1983	4
Patient Access Network Foundation	2004	5
Patient Services	1989	5
Peabody Essex Museum	1799	2
Peconic Land Trust	1983	1
Peddie School	1879	1
Peninsula Open Space Trust	1977	2
Pennsylvania State University	1855	25
Pepperdine University	1937	8
Performing Arts Fort Worth	1992	1
Pew Charitable Trusts	1948	11
Philadelphia Foundation	1918	1

Philadelphia Museum of Art	1876	10
Philadelphia Orchestra Association	1900	2
Philharmonic Symphony Society of New York	1853	1
Phillips Academy	1778	4
Phillips Exeter Academy	1781	5
Pittsburgh Cultural Trust	1985	1
Pittsburgh Foundation	1945	8
Pittsburgh History & Landmarks Foundation (Landmarks Financial Corporation)	1984	1
Pittsburgh Promise	2007	1
Plan USA	1937	11
Planned Giving Foundation	1991	1
Planned Parenthood Federation of America	1916	25
Poetry Foundation	1941	1
Polytechnic University	1854	2
Pomona College	1888	4
Population Council, Inc.	1952	3
Population Services International	1970	10
Prairie School	1964	1
Presbyterian Church USA Foundation	1799	5
Preventive Medicine Institute	1933	1
Princeton University	1746	25
Principia Corporation	1912	3
Prison Fellowship	1976	16
Program for Appropriate Technology in Health	1979	16
Project CURE	1987	1
Project Hope/People-to-People Health Foundation	1958	25
Project Orbis International	1984	10
Promise Keepers	1990	2
Public Broadcasting Service	1969	25
Purdue University at West Lafayette	1869	25
Rady Children's Hospital	1954	1
RAND Corporation	1948	7
Raymond F Kravis Center for the Performing Arts, Inc.	1982	1
Raymond James Charitable Endowment Fund	1990	1
RBC Ministries (Our Daily Bread Ministries)	1938	8
Reach Healthcare Foundation	2003	1
Reed College	1908	1
Regenstrief Institute	1967	2
Renaissance Charitable Foundation	2000	8
Rensselaer Polytechnic Institute	1824	15
Research Foundation for the State University of New York	1951	22
Research Foundation of the City University of New York	1963	25

Rhode Island Foundation	1916	3
Rhodes College	1848	1
Rice University	1912	25
Road Home Corporation	2006	2
Robert R. McCormick Foundation	1955	1
Robert W. Woodruff Arts Center	1965	13
Robert W. Woodruff Health Sciences Center Fund	1966	5
Robin Hood Foundation	1988	15
Rochester Area Community Foundation	1972	2
Rochester Institute of Technology	1829	2
Rockefeller Philanthropy Advisors	1991	4
Rockefeller University	1901	23
Rollins College	1855	1
Ronald McDonald Children's Charities	1974	2
Ronald Reagan Presidential Foundation	1985	2
Rose-Hulman Institute of Technology	1874	2
Ross Institute (Ross School)	1991	2
Rotary Foundation of Rotary International	1905	25
Rowan College of New Jersey	1923	2
Rural Economic Development Center	1987	3
Rush University Medical Center	1837	11
Rutgers University	1766	25
Sacramento Food Bank & Family Services (Senior Gleaners)	1976	4
Sacred Heart League	1955	6
Saint Augustine's University	1867	5
Saint Barnabas Corporation	1865	4
Saint John’s Hospital & Health Center Foundation	1948	2
Saint John's University	1871	1
Saint Joseph's College	1889	1
Saint Joseph's Indian School and Missions	1927	3
Saint Labre Indian School	1884	7
Saint Louis Children's Hospital Foundation	1879	3
Saint Louis Symphony Orchestra	1893	1
Saint Louis University	1818	11
Saint Luke's Episcopal Hospital	1954	2
Saint Mary's Food Bank	1967	17
Saint Paul Foundation	1940	18
Salk Institute for Biological Studies	1960	4
Salt Lake Olympic Organizing Committee for the Olympic Winter Games	1988	4
Salvation Army	1880	25
Samaritan's Purse	1970	20
Samford University	1841	2

San Antonio Area Foundation	1964	1
San Antonio Food Bank	1980	6
San Diego Foundation	1975	5
San Diego Museum of Art	1925	1
San Diego State University	1897	15
San Diego Zoo	1916	1
San Francisco Food Bank	1987	5
San Francisco Foundation	1948	22
San Francisco Museum of Modern Art	1935	9
San Francisco Opera Association	1923	6
San Francisco Symphony	1911	3
Sanford Health	1983	2
Santa Barbara Foundation	1928	1
Santa Clara University	1851	8
Save the Children	1932	25
Save the Redwoods League	1918	2
Scenic Hudson Land Trust	1936	1
Scenicview Academy	1999	1
Scholarship America	1958	25
Schwab Charitable Fund	1999	15
Science City at Union Station	1949	1
Scripps Health	1924	5
Scripps Research Institute	1924	23
Seattle Art Museum	1933	2
Seattle Children's Hospital Foundation and Guild Association	1907	7
Seattle Foundation	1946	16
Seattle Symphony	1903	1
Second Harvest Food Bank of Central Florida Inc.	1981	1
Second Harvest Food Bank of Metrolina	1981	2
Second Harvest Food Bank of Santa Clara and San Mateo Counties	1974	6
Second Harvest Heartland	1976	8
Segerstrom Center for the Arts	1973	1
Self Help Ventures Fund	1984	2
Sesame Workshop	1970	1
Seton Hall University	1856	1
Shadyside Hospital	1866	1
Shafer & Freeman Lakes Environmental Conservation	1992	1
Shanghai Expo 2010	2008	1
Shriners Hospitals for Children	1922	25
Sierra Club Foundation	1960	4
Sightsavers International	2000	9
Silicon Valley Community Foundation	1954	20

SIM (Society for International Ministries) USA	1889	9
Simon Wiesenthal Center	1985	1
Skidmore College	1903	1
Skirball Cultural Center	1995	1
Smile Train	1999	8
Smith Center for the Performing Arts	1996	2
Smith College	1871	15
Smithsonian Institution	1846	25
Society for Science & the Public	1921	1
Soka University of America	1984	10
Soles4Souls	2006	2
Solomon R. Guggenheim Foundation	1937	7
Southern Methodist University	1911	22
Special Olympics	1968	25
Spectrum Health Foundation	1987	1
Spelman College	1881	1
Spring Creek Recreational Fund	2010	1
Stanford Health Care	1957	4
Stanford University	1891	25
Stanley Medical Research Institute	1989	3
State University of New York at Albany	1844	2
State University of New York at Buffalo	1846	1
State University of New York at Stony Brook	1957	5
State University of New York Cornell Statutory Colleges	1894	2
Statue of Liberty-Ellis Island Foundation	1982	1
Step Up for Students	2000	5
Sterling and Francine Clark Art Institute	1950	1
Stetson University	1883	1
Stillwater Health System (Lakeview Health)	1880	1
Stowers Institute for Medical Research	1994	9
Summer Institute of Linguistics Inc.	1934	12
Surgical Eye Expeditions International	1974	3
Survivors of the Shoah Visual History Foundation	1994	1
Susan G. Komen	1982	18
Sutter Health	1854	7
Swarthmore College	1864	1
Syracuse University	1870	24
Tanana Chiefs Conference	1915	1
Task Force for Global Health	1984	8
Teach For America	1990	10
Temple University	1884	14
Tennessee Aquarium	1989	1
Texas A&M University	1871	25

Texas Baptist Children's Home and Family Services	1950	1
Texas Children's Hospital	1953	7
Texas Christian University	1873	3
Texas Heart Institute	1962	1
Texas Tech University	1923	20
The Arc	1951	25
The Associated: Jewish Community Federation of Baltimore	1920	22
The New School	1919	1
The Y	1851	25
Thomas Jefferson University	1824	6
Tides Center	1996	17
Tides Foundation	1976	22
Toledo Museum of Art	1901	1
Toyota Technological Institute at Chicago	2003	1
Trinity Christian Center of Santa Ana/Trinity Broadcasting Network	1973	25
Trinity College	1823	2
Trinity University	1869	1
Trust for Civil Society in Central and Eastern Europe	2000	1
Trust for Public Land	1972	24
Tufts Medical Center	1796	7
Tufts University	1852	24
Tulane University	1834	23
Tulsa Community Foundation	1998	14
Twin Towers Fund	2001	1
UFA Widow's & Children's Fund	1980	1
Unbound	1981	18
UNCF	1944	25
UND Sports Facilities	2002	1
Union Rescue Mission	1893	3
Union Station Assistance Corporation	1994	4
United Armenian Fund	1989	8
United Cerebral Palsy	1949	24
United Church of Christ	1957	1
United Jewish Appeal-Federation of Jewish Philanthropies of New York	1917	25
United Jewish Communities of MetroWest	1955	17
United Jewish Community of Broward County	1947	1
United Jewish Federation of Greater Pittsburgh	1912	6
United Jewish Foundation and Jewish Federation of Metropolitan Detroit	1905	24
United Nations Foundation	1998	17
United Service Organizations	1941	14

United Spinal Association	1946	11
United States Charitable Gift Trust	1999	10
United States Fund for UNICEF	1946	24
United States Holocaust Memorial Museum	1991	9
United States Naval Academy Foundation	1886	1
United States Olympic Committee	1921	13
United States Pharmacopeial Convention	1820	1
United States Soccer Federation Foundation, Inc.	1994	1
United Way Worldwide	1887	25
Unitypoint Health (Central Iowa Hospital Corporation)	1933	1
University Hospitals Health System	1866	2
University of Alabama at Birmingham	1936	24
University of Alabama at Tuscaloosa	1831	25
University of Arizona	1885	25
University of Arkansas at Fayetteville	1871	23
University of Bridgeport	1927	1
University of California at Berkeley	1868	25
University of California at Davis	1905	25
University of California at Irvine	1965	25
University of California at Los Angeles	1919	25
University of California at San Diego	1960	25
University of California at San Francisco	1864	25
University of California at San Francisco Stanford Health Care	1996	1
University of California at Santa Barbara	1891	8
University of Central Florida	1968	1
University of Chicago	1890	25
University of Cincinnati	1819	25
University of Colorado System	1876	25
University of Connecticut	1964	6
University of Dayton	1850	4
University of Delaware	1743	14
University of Denver	1864	6
University of Florida	1853	25
University of Georgia	1785	25
University of Hawaii System	1908	1
University of Houston System	1927	22
University of Illinois System	1867	25
University of Iowa	1847	25
University of Kansas	1865	25
University of Kentucky	1865	25
University of Louisville	1798	20
University of Maine at Orono	1868	1
University of Maryland at Baltimore	1807	13

University of Maryland at College Park	1856	24
University of Massachusetts at Amherst	1863	1
University of Massachusetts at Lowell	1894	2
University of Miami	1925	25
University of Michigan	1817	25
University of Minnesota System	1851	25
University of Mississippi	1844	19
University of Missouri at Columbia	1839	25
University of Nebraska	1869	25
University of Nevada at Las Vegas	1957	2
University of Nevada at Reno	1874	4
University of New Mexico	1889	14
University of North Carolina at Chapel Hill	1789	25
University of Notre Dame	1842	25
University of Oklahoma	1890	25
University of Oregon	1876	25
University of Pennsylvania	1740	25
University of Pittsburgh	1787	25
University of Richmond	1830	5
University of Rochester	1850	25
University of Saint Thomas	1885	2
University of San Diego	1949	2
University of San Francisco	1855	1
University of South Alabama Foundation	1968	4
University of South Carolina at Columbia	1801	24
University of South Florida	1956	13
University of Southern California	1880	25
University of Tennessee System	1794	25
University of Texas at Austin	1883	25
University of Texas at Dallas	1969	1
University of Texas Health Science Center at San Antonio	1959	6
University of Texas M.D. Anderson Cancer Center	1941	25
University of Texas Medical Branch at Galveston	1891	12
University of Texas Southwestern Medical Center at Dallas	1943	25
University of the Arts	1876	1
University of the Ozarks	1834	1
University of the Pacific	1851	2
University of the South - Sewanee	1857	2
University of Tulsa	1882	3
University of Utah	1850	25
University of Vermont	1791	2
University of Virginia	1819	25
University of Washington	1861	25

University of Wisconsin at Madison	1849	25
Uplift Education	1996	3
UPMC Health System	1893	15
Urban Hospital Care Plus	1992	12
USTA National Tennis Center	1978	3
Utah Food Bank	1904	5
Utah State University	1888	1
Valley Health System	1951	1
Valparaiso University	1859	1
Van Andel Institute	1996	6
Vanderbilt University	1873	25
Vanguard Charitable Endowment Program	1997	16
Vassar College	1861	10
Virginia Commonwealth University	1838	7
Virginia Museum of Fine Arts Foundation	1936	1
Virginia Tech	1872	25
Voice of God Recordings	1984	1
Volunteers of America	1896	25
Wabash College	1832	1
Wake Forest University	1834	25
Wake Forest University Health Services	1902	6
Wartburg Home Foundation	1991	1
Washington and Lee University	1749	11
Washington Opera	1956	1
Washington State University	1890	23
Washington University in Saint Louis	1853	25
WaterStone	1980	1
Wayne State University	1868	17
Wellesley College	1875	19
Wellstar Health System, Inc.	1987	8
Welvista	1993	3
Wesleyan Church	1968	2
West Virginia University	1867	21
Western Michigan University Foundation	1903	1
Westminster School	1888	2
WETA/Greater Washington Educational Telecommunications Association	1955	18
WGBH Educational Foundation	1951	25
Wheaton College	1853	3
Whitehead Institute for Biomedical Research	1981	2
Whitney Museum of American Art	1930	4
WHYY	1954	2
Wilderness Society	1935	3

Wildlife Conservation Society	1895	16
Wildlife Support Fund	1999	1
Williams College	1793	14
Willow Creek Community Church	1972	6
Winston-Salem Foundation	1919	1
WNET	1962	25
Woods Hole Oceanographic Institution	1930	2
Worcester Polytechnic Institute	1865	3
World Emergency Relief	1974	5
World Lung Foundation	2004	2
World Relief Corporation	1944	1
World Resources Institute	1982	1
World Vision	1950	25
World Wildlife Fund	1961	25
Wounded Warrior Project	2005	4
WTTW/Window to the World Communications	1955	8
Wycliffe Bible Translators	1942	25
Xavier University	1842	1
Yale University	1701	25
Yeshiva University	1886	24
Young Harris College	1886	1
Young Life	1961	25
YWCA USA	1858	25

Table A2.2. Charities in the Published Rankings but Eliminated from Study Population

Charity Name	Year Founded
Aloha United Way	1919
American Dental Association	1859
American Friends of Tel Aviv University	1955
American University	1914
ARC Thrift Stores - Colorado	1968
Best Friends Animal Society	1984
Breast Cancer Society	2007
Bucknell University	1846
California State University at Fresno	1911
Chapman University	1861
Children's Hospital Oakland	1912
Children's Wish Foundation International	1985
Christian Advocates Serving Evangelism	1990
City Year	1988
College of the Ozarks	1906
Colorado School of Mines	1873
Community Foundation of Greater Birmingham	1959
Crohn's & Colitis Foundation of America	1967
Culinary Institute of America	1946
East Tennessee State University	1911
Eckerd College	1960
Episcopal Collegiate School Foundation	1997
Field Museum	1893
Fisher House Foundation	1990
Florida Atlantic University	1964
Food Bank for New York City, Food for Survival	1983
Franciscan Medical Group	1891
Fund for Johns Hopkins Medicine	1889
Fund for Public Schools	1982
Gator Boosters	1970
Geisinger Foundation	1915
George Mason University Foundation	1966
Grand Rapids Foundation	1922
Greater Twin Cities United Way	1915
Hamilton College	1793
Harvey Mudd College	1957
Heart of Florida United Way	1939
Independent Charities of America	1988

Insight for Living	1980
International Partnership for Microbicides	2002
John Carroll University	1886
Kauffman Center for the Performing Arts	1999
KCTS Television	1954
Keck Graduate Institute of Applied Life Sciences	1997
Le Moyne College	1945
Livestrong	1997
Love a Child	1985
Lyon College	1872
Macalester College	1874
MDRC (Manpower Demonstration Research Corporation)	1974
Metro United Way	1917
Mile High United Way	1887
Museum of Contemporary Art, San Diego	1941
National Benevolent Association of the Christian Church	1885
National Cowboy & Western Heritage Museum	1955
National Park Foundation	1967
Occidental College	1887
Oklahoma City University	1890
PetSmart Charities	1994
Pittsburgh Theological Seminary	1794
Regent University	1978
Rush University	1972
Sacramento Region Community Foundation	1983
Saint Olaf College	1874
Saint Patrick's Seminary	1898
Saint Vincent Fishers Hospital	2011
Southern Poverty Law Center	1971
Stevens Institute of Technology	1870
Taft School	1890
The Bible League	1938
Trinity Health	2000
Tulsa Area United Way	1924
Union College	1891
United Way Central and Northeastern Connecticut	1924
United Way Community Services-Detroit	1912
United Way for the Greater New Orleans Area	1924
United Way of Allegheny County	1928
United Way of Buffalo and Erie County	1947

United Way of Central Alabama	1955
United Way of Central Carolinas	1931
United Way of Central Indiana	1918
United Way of Central Maryland	1925
United Way of Central Ohio	1923
United Way of Dade County	1920
United Way of Delaware	1946
United Way of Essex and West Hudson	1923
United Way of Greater Cincinnati	1915
United Way of Greater Cleveland	1913
United Way of Greater Kansas City	1947
United Way of Greater Los Angeles	1924
United Way of Greater Milwaukee	1909
United Way of Greater Rochester	1918
United Way of Greater Saint Louis	1922
United Way of Greater Toledo	1918
United Way of King County	1921
United Way of Massachusetts Bay	1935
United Way of Metropolitan Atlanta	1923
United Way of Metropolitan Chicago	1932
United Way of Metropolitan Dallas	1924
United Way of Metropolitan Nashville	1922
United Way of Metropolitan Tarrant County	1922
United Way of Minneapolis Area	1915
United Way of New York City	1938
United Way of Northeast Florida	1924
United Way of Orange County	1924
United Way of Rhode Island	1926
United Way of San Antonio and Bexar County	1940
United Way of San Diego County	1920
United Way of South Hampton Roads	1923
United Way of Southeastern Pennsylvania	1921
United Way of the Bay Area	1922
United Way of the Columbia-Willamette	1920
United Way of the Greater Dayton Area	1914
United Way of the Midlands	1923
United Way of the Mid-South	1923
United Way of the National Capital Area	1975
United Way of the Saint Paul Area	1915
United Way of the Texas Gulf Coast	1922

United Way of Tri-State	1977
United Way Sacramento Area	1923
United Way Services-Richmond	1924
United Way Silicon Valley	1922
University Medical Service Association	1973
University of Akron-Main Campus	1870
University of Evansville	1854
University of Texas-Houston Health Science Center	1972
Utah Valley State College	1941
Utah Valley State College	1941
Valley of the Sun United Way	1925
Villanova University	1842
Voice of the Martyrs	1967
Wesleyan University	1831
West Penn Allegheny Health System	1848
West Virginia Health Right	1982
Williamson Free School of Mechanical Trades	1891
WNYC Radio	1922
Woodrow Wilson National Fellowship Foundation	1949
World Help	1991

References

Achleitner, A.-K., Spiess-Knafl, W., & Volk, S. (2014). The financing structure of social enterprises: Conflicts and implications. *International Journal of Entrepreneurial Venturing, 6*(1), 85-99.

Ahn, S. (2010). *Heterogeneous population and evolutionary dynamics of subpopulations: The entry of nonprofit organizations in Florida counties 1994-2007.* (PhD Dissertation), Florida State University, Tallahassee, FL. Retrieved on May 22, 2014 from http://diginole.lib.fsu.edu/etd/293/

Aldrich, H. E., & Auster, E. R. (1986). Even dwarfs started small: Liabilities of age and size and their strategic implications. In B. M. Staw & C. L. L. (Eds.), *Research in organizational behavior: An annual series of analytical essays and critical reviews*. Greenwich, CT: JAI Press.

Aldrich, H. E., & Pfeffer, J. (1976). Environments of organizations. *Annual Review of Sociology, 2*(1), 79-105.

Aldrich, H. E., & Staber, U. H. (1988). Organizing business Interests: Patterns of trade association foundings, transformations, and deaths. In G. R. Carroll (Ed.), *Ecological models of organizations* (pp. 111-126). Cambridge, MA: Ballinger Pub. Co.

Aldrich, H. E., Staber, U. H., Zimmer, C. R., & Beggs, J. J. (1990). Minimalism and organizational mortality: Patterns of disbanding among U.S. trade associations 1900-1983. In J. V. Singh (Ed.), *Organizational evolution: New directions* (pp. 21-52). Newbury Park, CA: Sage Publications.

Aldrich, H. E., & Stern, R. N. (1983). Resource mobilization and the creation of U.S. producer's cooperatives, 1835-1935. *Economic and Industrial Democracy, 4*(3), 371-406.

Aldrich, H. E., Zimmer, C. R., Staber, U. H., & Beggs, J. J. (1994). Minimalism, mutualism, and maturity: The evolution of the American trade association population in the 20th century. In J. A. C. Baum & J. V. Singh (Eds.), *Evolutionary dynamics of organizations* (pp. 223-239). New York, NY: Oxford University Press.

Amburgey, T. L., Dacin, M. T., & Kelly, D. (1994). Disruptive selection and population segmentation: Interpopulation competition as a segregating process. In J. A. C. Baum & J. V. Singh (Eds.), *Evolutionary dynamics of organizations* (pp. 240-245). New York, NY: Oxford University Press.

Anderson, S. L., Martinez, J. H., Hoegeman, C., Adler, G., & Chaves, M. (2008). Dearly departed: How often do congregations close? *Journal for the Scientific Study of Religion, 47*(2), 321-328.

Andreoni, J. (2006). Philanthropy. In S. C. Kolm & J. M. Ythier (Eds.), *Handbook of the economics of giving, altruism and reciprocity* (Vol. 2, pp. 1202-1269). Amsterdam, Netherlands: Elsevier.

Andreoni, J., & Payne, A. A. (2011). Is crowding out due entirely to fundraising? Evidence from a panel of charities. *Journal of Public Economics, 95*(5–6), 334-343.

Andrew, D. T. (1989). *Philanthropy and police: London charity in the eighteenth century*. Princeton, NJ: Princeton University Press.

Archibald, M. E. (2007a). *The evolution of self-help*. New York, NY: Palgrave Macmillan.
Archibald, M. E. (2007b). An organizational ecology of national self-help/mutual-aid organizations. *Nonprofit and Voluntary Sector Quarterly, 36*(4), 598-621.
Archibald, M. E. (2008). The impact of density dependence, sociopolitical legitimation and competitive intensity on self-help/mutual-aid formation. *Organization Studies, 29*(1), 79-101.
Armsworth, P. R., Fishburn, I. S., Davies, Z. G., Gilbert, J., Leaver, N., & Gaston, K. J. (2012). The size, concentration, and growth of biodiversity-conservation nonprofits. *BioScience, 62*(3), 271-281.
Arnsberger, P., Ludlum, M., Riley, M., & Stanton, M. (2008). *A history of the tax-exempt sector: An SOI perspective*. Washington, DC:
Avery, K. E., & Leviton, L. A. (2014, May-July). [Email exchange: Follow-up info on PBS].
Baggett, J. P. (2000). *Habitat for Humanity: Building private homes, building public religion*. Philadelphia, PA: Temple University Press.
Baghdady, G., & Maddock, J. M. (2008). Marching to a different mission. *Stanford Social Innovation Review, 6*(2), 61-65.
Baranowski, G., Khan, S., & McKitrick, M. (2013) Twenty-five years of international giving: 1987-2012. *Giving USA Spotlight* (pp. 1-13). Chicago, IL: Giving USA Foundation.
Barber, P. (2011). Regulation of U.S. charitable solicitations since 1954. *Voluntas: International Journal of Voluntary and Nonprofit Organizations, 23*(3), 737-762.
Barber, P., & Farwell, M. (2014). *Mapping the regulators: Charitable solicitations regulations in the United States*. Paper presented at the International Society for Third Sector Research, Muenster, Germany.
Barman, E. (2006). *Contesting communities: The transformation of workplace charity*. Stanford, CA: Stanford University Press.
Barnett, W. P., & Amburgey, T. L. (1990). Do larger organizations generate stronger competition? In J. V. Singh (Ed.), *Organizational evolution: New directions* (pp. 78-102). Newbury Park, CA: Sage Publications.
Barnett, W. P., Mischke, G. A., & Ocasio, W. (2000). The evolution of collective strategies among organizations. *Organization Studies, 21*, 325-354.
Barrett, W. P. (2009). America's 200 largest U.S. charities. *Forbes*. Retrieved on February 26, 2015 from http://www.forbes.com/2009/11/23/charitable-giving-gates-foundation-personal-finance-charity-09-intro.html
Barrett, W. P. (2012). IRS audit: Big charity filed misleading tax return. *Forbes*. Retrieved on February 26, 2015 from http://www.forbes.com/sites/williampbarrett/2012/01/30/irs-audit-big-charity-filed-misleading-tax-return/
Barron, D. N. (1995). Credit unions. In G. R. Carroll & M. T. Hannan (Eds.), *Organizations in industry: Strategy, structure, and selection* (pp. 137-162). New York, NY: Oxford University Press.
Barron, D. N. (1999). The structuring of organizational populations. *American Sociological Review, 64*(3), 421-445.

Barron, D. N., West, E., & Hannan, M. T. (1994). A time to grow and a time to die: Growth and mortality of credit unions in New York City, 1914-1990. *American Journal of Sociology, 100*(2), 381-421.
Barton, N. (2006, October 26). How The Chronicle compiled its annual Philanthropy 400 rankings. *The Chronicle of Philanthropy,* p. 3.
Barton, N. (2007, November 1). How The Chronicle compiled its annual Philanthropy 400 rankings. *The Chronicle of Philanthropy,* p. 14.
Barton, N. (2008, October 30). How The Chronicle compiled its annual Philanthropy 400 rankings. *The Chronicle of Philanthropy,* p. 3.
Barton, N. (2009, October 29). How The Chronicle compiled its survey of America's biggest charities. *The Chronicle of Philanthropy,* p. 8.
Barton, N. (2010, October 17). How the Philanthropy 400 is compiled. *The Chronicle of Philanthropy,* p. 10.
Barton, N. (2011, October 20). How The Chronicle's survey of America's 400 largest charities was compiled. *The Chronicle of Philanthropy,* p. 16.
Baum, J. A. C. (1989). *Liabilities of newness, adolescence, and obsolescence: Exploring age dependence in the dissolution of organizational relationships and organizations*. Paper presented at the Annual Conference of the Administrative Sciences Association of Canada, Montreal, QC.
Baum, J. A. C. (2001). *Blackwell companion to organizations*. Malden, MA: Blackwell Publishers.
Baum, J. A. C., & Korn, H. J. (1994). The community ecology of large Canadian companies, 1984-1991. *Revue Canadienne des Sciences de l'Administration, 11*(4), 277-294.
Baum, J. A. C., & Oliver, C. (1991). Institutional linkages and organizational mortality. *Administrative Science Quarterly, 36*(2), 187-218.
Baum, J. A. C., & Shipilov, A. V. (2006). Ecological approaches to organizations. In S. R. Clegg, C. Hardy, T. Lawrence, & W. R. Nord (Eds.), *Sage handbook for organization studies* (pp. 55-110). London, UK: Sage Publications.
Baum, J. A. C., & Singh, J. V. (1994a). Organization-environment coevolution. In J. A. C. Baum & J. V. Singh (Eds.), *Evolutionary dynamics of organizations* (pp. 379-402). New York, NY: Oxford University Press.
Baum, J. A. C., & Singh, J. V. (1994b). Organizational niches and the dynamics of organizational founding. *Organization Science, 5*(4), 483-501.
Baum, J. A. C., & Singh, J. V. (1994c). Organizational niches and the dynamics of organizational mortality. *American Journal of Sociology, 100*(2), 346-380.
Beito, D. T. (2000). *From mutual aid to the welfare state: Fraternal societies and social services, 1890-1967*. Chapel Hill, NC: University of North Carolina Press.
Bekkers, R., & Wiepking, P. (2011). Who gives? A literature review of predictors of charitable giving. Part One: Religion, education, age and socialisation. *Voluntary Sector Review, 2*(3), 337-365.
Ben-Ner, A., & Van Hoomissen, T. (1990). The growth of the nonprofit sector in the 1980s: Facts and interpretation. *Nonprofit Management & Leadership, 1*(2), 99-116.

Bennett, J., Iossa, E., & Legrenzi, G. (2010). Commercial activity as insurance: The investment behaviour of non-profit organizations. *Annals of Public and Cooperative Economics, 81*(3), 445-465.

Besana, A. (2012). Alternative resources: Revenue diversification in the not-for-profit USA symphony orchestra. *Journal of Arts Management, Law, & Society, 42*(2), 79-89.

Bielefeld, W. (1994). What affects nonprofit survival? *Nonprofit Management & Leadership, 5*(1), 19-36.

Bielefeld, W., Rooney, P., & Steinberg, K. (2005). How do need, capacity, geography, and politics influence giving? In A. C. Brooks (Ed.), *Gifts of time and money: The role of charity in America's communities* (pp. 127-157). Lanham, MD: Rowman & Littlefield.

Blackwood, A. S., Roeger, K. L., & Pettijohn, S. L. (2012) The nonprofit sector in brief: Public charities, giving, and volunteering, 2012. Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Blackwood, A. S., Wing, K. T., & Pollak, T. H. (2008) The nonprofit sector in brief: Facts and figures from the *Nonprofit Almanac:* 2008: Public charities, giving, and volunteering. Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Blau, J. R. (1995). Art museums. In G. R. Carroll & M. T. Hannan (Eds.), *Organizations in industry: Strategy, structure, and selection* (pp. 87-114). New York, NY: Oxford University Press.

Blum, D. E. (1996, October 31). How the Philanthropy 400 ranking of top fund-raising groups was compiled. *The Chronicle of Philanthropy,* p. 50.

Boris, E. T. (1999). The nonprofit sector in the 1990s. In C. T. Clotfelter & T. Ehrlich (Eds.), *Philanthropy and the nonprofit sector in a changing America* (pp. 1-33). Bloomington, IN: Indiana University Press.

Boris, E. T. (2006). Nonprofit organizations in a democracy: Roles and responsibilities. In E. T. Boris & C. E. Steuerle (Eds.), *Nonprofits and government: Collaboration and conflict* (pp. 1-35). Washington, DC: Urban Institute Press.

Boris, E. T., & Steuerle, C. E. (2006). Scope and dimensions of the nonprofit sector. In W. W. Powell & R. Steinberg (Eds.), *The nonprofit sector: A research handbook* (pp. 66-88). New Haven, CT: Yale University Press.

Bowen, W. G., Nygren, T. I., Turner, S. E., & Duffy, E. A. (1994). *The charitable nonprofits: An analysis of institutional dynamics and characteristics*. San Francisco, CA: Jossey-Bass Publishers.

Brint, S., & Karabel, J. (1991). Institutional origins and transformation: The case of American community colleges. In W. W. Powell & P. J. DiMaggio (Eds.), *The new institutionalism in organizational analysis* (pp. 337-360). Chicago, IL: University of Chicago Press.

Brown, M. S., McKeever, B., Dietz, N., Koulish, J., & Pollak, T. H. (2013). The impact of the great recession on the number of charities (pp. 1-6). Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Bryant, W. K., Jeon-Slaughter, H., Kang, H., & Tax, A. (2003). Participation in philanthropic activities: Donating money and time. *Journal of Consumer Policy, 26*(1), 43-73.

Bryk, A. S., Lee, V. E., & Holland, P. B. (1993). *Catholic schools and the common good*. Cambridge, MA: Harvard University Press.

Burke, C. B. (2001). Nonprofit history's new numbers (and the need for more). *Nonprofit and Voluntary Sector Quarterly, 30*(2), 174-203.

Carroll, D. A., & Stater, K. J. (2009). Revenue diversification in nonprofit organizations: Does it lead to financial stability? *Journal of Public Administration Research and Theory, 19*(4), 947-966.

Carroll, G. R. (1988). Organizational and electoral paradoxes of the Knights of Labor. In G. R. Carroll (Ed.), *Ecological models of organizations* (pp. 175-193). Cambridge, MA: Ballinger Pub. Co.

Carroll, G. R., & Hannan, M. T. (1990). Density delay in the evolution of organizational populations: A model for five empirical tests. In J. V. Singh (Ed.), *Organizational evolution: New directions* (pp. 103-128). Newbury Park, CA: Sage Publications.

Carroll, G. R., & Hannan, M. T. (2000). *The demography of corporations and industries*. Princeton, NJ: Princeton University Press.

Carson, E. D. (2002). Public expectations and nonprofit sector realities: A growing divide with disastrous consequences. *Nonprofit and Voluntary Sector Quarterly, 31*(3), 429-436.

Castaneda, M. A., Garen, J., & Thornton, J. P. (2008). Competition, contractibility, and the market for donors to nonprofits. *Journal of Law, Economics, and Organization, 24*(1), 215-246.

Chambré, S. M., & Fatt, N. (2002). Beyond the liability of newness: Nonprofit organizations in an emerging policy domain. *Nonprofit and Voluntary Sector Quarterly, 31*(4), 502-524.

Chang, C. F., & Tuckman, H. P. (1991). Financial vulnerability and attrition as measures of nonprofit performance. *Annals of Public and Cooperative Economics, 62*(4), 655.

Chang, C. F., & Tuckman, H. P. (1994). Revenue diversification among non-profits. *Voluntas: International Journal of Voluntary and Nonprofit Organizations, 5*(3), 273-290.

Chang, C. F., & Tuckman, H. P. (2010). Income diversification. In B. A. Seaman & D. R. Young (Eds.), *Handbook of research on nonprofit economics and management* (pp. 5-17). Cheltenham, UK: Edward Elgar.

Chaves, M., & Sutton, J. R. (2004). Organizational consolidation in American Protestant denominations, 1890-1990. *Journal for the Scientific Study of Religion, 43*(1), 51-66.

Chikoto, G. L., Ling, Q., & Neely, D. G. (2015). The adoption and use of the Hirschman–Herfindahl Index in nonprofit research: Does revenue diversification measurement matter? *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 1-23.

Chikoto, G. L., & Neely, D. G. (2014). Building nonprofit financial capacity: The impact of revenue concentration and overhead costs. *Nonprofit and Voluntary Sector Quarterly, 43*(3), 570-588.

Cho, M., & Kelly, K. S. (2013). Corporate donor–Charitable organization partners: A coorientation study of relationship types. *Nonprofit and Voluntary Sector Quarterly, 43*(4), 693-715.

Christensen, C. M., & Bower, J. L. (1996). Customer power, strategic investment, and the failure of leading firms. *Strategic Management Journal, 17*(3), 197-218.
Clark, B. R. (1983). *The higher education system: Academic organization in cross-national perspective*. Berkeley, CA: University of California Press.
Clement, P. F. (1985). *Welfare and the poor in the nineteenth-century city: Philadelphia, 1800-1854*. Rutherford, NJ: Fairleigh Dickinson University Press.
Cleveland, W. S. (2010). *Brand isomorphism and competitive pressures in nonprofit organizations*. Unpublished manuscript. Indiana University, Center on Philanthropy. Indianapolis, IN.
Cleveland, W. S. (2011). *The civil society war and development of fund raising policy in the United States*. Unpublished manuscript. Indiana University, Center on Philanthropy. Indianapolis, IN.
Cleveland, W. S. (2015). *Ignoring affiliation skews research results: A preliminary quantification of the magnitude of affiliation among charities*. Paper presented at the Association for Research on Nonprofit Organizations and Voluntary Action, Chicago, IL.
Corbin, J. J. (1999). A study of factors influencing the growth of nonprofits in social services. *Nonprofit and Voluntary Sector Quarterly, 28*(3), 296-314.
Cutlip, S. M. (1965). *Fund raising in the United States: Its role in America's philanthropy*. New Brunswick, NJ: Rutgers University Press.
David, G. (2010). Trends in hospital ownership type and capacity: A decomposition analysis. *Nonprofit and Voluntary Sector Quarterly, 39*(2), 356-370.
Deb, P., Wilhelm, M. O., Rooney, P. M., & Brown, M. S. (2003). Estimating charitable deductions in Giving USA. *Nonprofit and Voluntary Sector Quarterly, 32*(4), 548-567.
Delaney, C. R. (2012). *The influence of the "power of the ask" on volunteer rates in the United States.* (M.P.P. Thesis), Georgetown University, Washington, DC. Retrieved on October 29, 2014 from http://hdl.handle.net/10822/557758
Demko, P., & Hall, H. (1995, November 2). How the Philanthropy 400 was compiled, and how charities responded to the survey. *The Chronicle of Philanthropy,* p. 53.
Dickey, M., & Morris, D. (1997, October 30). How the Philanthropy 400 was compiled. *The Chronicle of Philanthropy,* p. 40.
DiMaggio, P. J. (1986). *Nonprofit enterprise in the arts: Studies in mission and constraint*. New York, NY: Oxford University Press.
DiMaggio, P. J. (1991). Constructing an organizational field as a professional project: U.S. art museums, 1920-1940. In W. W. Powell & P. J. DiMaggio (Eds.), *The new institutionalism in organizational analysis* (pp. 267-292). Chicago, IL: University of Chicago Press.
DiMaggio, P. J. (1994). The challenge of community evolution. In J. A. C. Baum & J. V. Singh (Eds.), *Evolutionary dynamics of organizations*. New York, NY: Oxford University Press.
DiMaggio, P. J. (2001). Measuring the impact of the nonprofit sector on society is probably impossible but possibly useful. In P. Flynn & V. A. Hodgkinson (Eds.), *Measuring the impact of the nonprofit sector* (pp. 249-272). New York, NY: Kluwer Academic/Plenum Publishers.

Dougherty, K. D., Maier, J. E., & Vander Lugt, B. (2008). When the final bell tolls: Patterns of church closings in two Protestant denominations. *Review of Religious Research, 50*(1), 49-73.

Dundjerski, M., Hall, H., Moore, J., Rocque, A., & Spenner, P. (1994, November 1). How the Philanthropy 400 was compiled. *The Chronicle of Philanthropy,* p. 46.

Faulk, L. (2010). *Edifice complex: Building ownership and financial strength of nonprofit theaters*. Working Paper. University of Texas at Austin, Lyndon B. Johnson School of Public Affairs. Austin, TX.

Feigenbaum, S. (1987). Competition and performance in the nonprofit sector: The case of U.S. medical research charities. *The Journal of Industrial Economics, 35*(3), 241-253.

Finke, R., & Stark, R. (2005). *The churching of America, 1776-2005: Winners and losers in our religious economy*. New Brunswick, NJ: Rutgers University Press.

Fischer, R. L., Wilsker, A. L., & Young, D. R. (2011). Exploring the revenue mix of nonprofit organizations: Does it relate to publicness? *Nonprofit and Voluntary Sector Quarterly, 40*(4), 662-681.

Foster, W., & Bradach, J. L. (2005). Should nonprofits seek profits? *Harvard Business Review, 83*(2), 92-100.

Foster, W., Dixon, B., & Hochstetler, M. (2003). Funding: Patterns and guideposts in the nonprofit sector (pp. 1-27). Boston, MA: The Bridgespan Group.

Foster, W., & Fine, G. (2007). How nonprofits get really big. *Stanford Social Innovation Review, 5*(2), 46-55.

Fowlkes, E. (2013, June 17). [Conversation and email exchange: Affiliate reporting for Boys & Girls Clubs of America].

Fremont-Smith, M. R. (2004). *Governing nonprofit organizations: Federal and state law and regulation*. Cambridge, MA: Belknap Press of Harvard University Press.

Froelich, K. A. (1999). Diversification of revenue strategies: Evolving resource dependence in nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly, 28*(3), 246-268.

Froelich, K. A., & Knoepfle, T. W. (1996). Internal Revenue Service 990 data: Fact or fiction? *Nonprofit and Voluntary Sector Quarterly, 25*(1), 40-52.

Frumkin, P., & Keating, E. K. (2011). Diversification reconsidered: The risks and rewards of revenue concentration. *Journal of Social Entrepreneurship, 2*(2), 151-164.

Galaskiewicz, J. (1985). *Social organization of an urban grants economy: A study of business philanthropy and nonprofit organizations*. Orlando, FL: Academic Press.

Galaskiewicz, J., & Bielefeld, W. (1998). *Nonprofit organizations in an age of uncertainty: A study of organizational change*. New York, NY: A. de Gruyter.

Gamm, G., & Putnam, R. D. (1999). The growth of voluntary associations in America, 1840-1940. *Journal of Interdisciplinary History, 29*(4), 511-557.

Gammage-Tucker, M. E. (1996). *Adapting museums to a postmodern environment.* (PhD Dissertation), Texas Tech University, Lubbock, TX. Retrieved on July 31, 2015 from http://repositories.tdl.org/ttu-ir/handle/2346/20488

Gastwirth, J. L. (1972). The estimation of the Lorenz curve and Gini index. *The Review of Economics and Statistics, 54*(3), 306-316.

Gilbert, C. G. (2005). Unbundling the structure of inertia: Resource versus routine rigidity. *Academy of Management Journal, 48*(5), 741-763.
Gini, C. (1997). Concentration and Dependency Ratios. *Rivista di politica economica, 87*(8-9), 769-790.
Giving USA Foundation. (2012). *Giving USA 2012: The annual report on philanthropy for the year 2011* (G. U. Foundation Ed.). Chicago, IL: Giving USA Foundation.
Giving USA Foundation. (2015). *Giving USA 2015: The annual report on philanthropy for the year 2014* (G. U. Foundation Ed.). Chicago, IL: Giving USA Foundation.
Giving USA Foundation, & American Association of Fund-Raising Counsel. (1956). *Giving USA*. New York, NY: American Association of Fund-Raising Counsel Trust for Philanthropy.
Goldthorpe, J. H. (1941). Trends in philanthropy. *The Journal of Higher Education, 12*(2), 73-80.
Gordon, T. P., Khumawala, S. B., Kraut, M. A., & Meade, J. A. (2007). The quality and reliability of Form 990 data: Are users being misled. *Academy of Accounting and Financial Studies Journal, 11*(Special Issues), 27-49.
Grant, S. D. (2012). *Disappearing act: An analysis of the boundaries between the nonprofit & for-profit sectors.* (PhD Dissertation), State University of New York at Albany, Albany, NY. Retrieved on March 20, 2014 from http://gradworks.umi.com/35/18/3518135.html (UMI Number: 3518135)
Greenlee, J. S., & Trussel, J. M. (2000). Predicting the financial vulnerability of charitable organizations. *Nonprofit Management & Leadership, 11*(2), 199-210.
Griffith, A. R., Jeter, H. R., & McMillen, A. W. (1930a). *Registration of social statistics for the year 1928*. Chicago, IL: Local Community Research Committee of the University of Chicago.
Griffith, A. R., Jeter, H. R., & McMillen, A. W. (1930b). *Registration of social statistics: Supplement for the year 1929*. Chicago, IL: Local Community Research Committee of the University of Chicago.
Grønbjerg, K. A. (1993). *Understanding nonprofit funding: Managing revenues in social services and community development organizations*. San Francisco, CA: Jossey-Bass.
Grønbjerg, K. A. (2001). The U.S. nonprofit human service sector: A creeping revolution. *Nonprofit and Voluntary Sector Quarterly, 30*(2), 276-297.
Hagar, G. J. (1904). Magnitude of American benefactions. *The Review of Reviews, 29*, 464-465.
Hager, M. A. (1999). *Explaining demise among nonprofit organizations.* (PhD Dissertation), University of Minnesota, Minneapolis, MN. Retrieved on February 6, 2014 from http://www.researchgate.net/publication/35751496_Explaining_demise_among_nonprofit_organizations
Hager, M. A. (2001). Financial vulnerability among arts organizations: A test of the Tuckman-Chang measures. *Nonprofit and Voluntary Sector Quarterly, 30*(2), 376-392.
Hager, M. A., Galaskiewicz, J., Bielefeld, W., & Pins, J. J. (1996). Tales from the grave: Organizations' accounts of their own demise. *American Behavioral Scientist, 39*(8), 975-975.

Hager, M. A., Pins, J. J., & Jorgensen, C. A. (1997). Unto thy maker: The fate of church-based nonprofit clinics in a turbulent health care environment. *Nonprofit and Voluntary Sector Quarterly, 26*(4 suppl), S85-S100.

Hager, M. A., Pollak, T. H., Wing, K. T., & Rooney, P. M. (2004a). Getting what we pay for: Low overhead limits nonprofit effectiveness *Nonprofit overhead cost project* (pp. 1-4). Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Hager, M. A., Pollak, T. H., Wing, K. T., & Rooney, P. M. (2004b). The quality of financial reporting by nonprofits: Findings and implications *Nonprofit overhead cost project* (pp. 1-4). Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Hall, L. M., & Hall, M. F. (1996). Big fights: Competition between poor people's social movement organizations. *Nonprofit and Voluntary Sector Quarterly, 25*(1), 53-72.

Hall, P. D. (1999). Vital signs: Organizational population trends and civic engagement in New Haven, Connecticut, 1850-1998. In T. Skocpol & M. P. Fiorina (Eds.), *Civic engagement in American democracy* (pp. 211-248). Washington, DC: Brookings Institution Press.

Hall, P. D., & Burke, C. B. (2006). Nonprofit, voluntary, and religious entities. In S. B. Carter, S. S. Gartner, M. R. Haines, A. L. Olmstead, R. Sutch, & G. Wright (Eds.), *Historical statistics of the United States: Earliest times to the present* (Vol. 2, pp. 2-837-934). New York, NY: Cambridge University Press.

Halliday, T. C., Powell, M. J., & Granfors, M. W. (1987). Minimalist organizations: Vital events in state bar associations, 1870-1930. *American Sociological Review, 52*(4), 456-471.

Hammack, D. C. (2001). Introduction: Growth, transformation, and quiet revolution in the nonprofit sector over two centuries. *Nonprofit and Voluntary Sector Quarterly, 30*(2), 157-173.

Hannan, M. T. (1989). Age dependence in the mortality of national labor unions: Comparisons of parametric models. *Journal of Mathematical Sociology, 14*(1), 1-30.

Hannan, M. T. (1995). Labor unions. In G. R. Carroll & M. T. Hannan (Eds.), *Organizations in industry: Strategy, structure, and selection* (pp. 121-136). New York, NY: Oxford University Press.

Hannan, M. T., & Carroll, G. R. (1992). *Dynamics of organizational populations: Density, legitimation, and competition*. New York, NY: Oxford University Press.

Hannan, M. T., & Freeman, J. (1977). The population ecology of organizations. *American Journal of Sociology, 82*(5), 929-964.

Hannan, M. T., & Freeman, J. (1984). Structural inertia and organizational change. *American Sociological Review, 49*(2), 149-164.

Hannan, M. T., & Freeman, J. (1989). *Organizational ecology*. Cambridge, MA: Harvard University Press.

Hannan, M. T., Pólos, L. s., & Carroll, G. R. (2007). *Logics of organization theory: Audiences, codes, and ecologies*. Princeton, NJ: Princeton University Press.

Hansmann, H. B. (1980). The role of nonprofit enterprise. *The Yale Law Journal, 89*(5), 835-901.

Hansmann, H. B. (1989). The two nonprofit sectors: Fee for service versus donative organizations. In V. A. Hodgkinson & R. W. Lyman (Eds.), *The future of the nonprofit sector: Challenges, changes, and policy considerations* (pp. 91-102). San Francisco, CA: Jossey-Bass.

Harris Corporation. (1996). Founding dates of the 1994 Fortune 500 U.S. companies. *Business History Review, 70*(1), 69-90.

Harris, E., Holley, L. S., & McCaffrey, C. J. (1990). Fundraising into the 1990s: State regulation of charitable solicitation after Riley. *University of San Francisco Law Review, 24*(Summer), 571-652.

Harrison, T. D., & Laincz, C. A. (2008a). *Does Gibrat's Law apply to nonprofits?* Retrieved on August 19, 2015 from http://www.researchgate.net/publication/237134989_Does_Gibrat's_Law_Apply_to_Nonprofits

Harrison, T. D., & Laincz, C. A. (2008b). Entry and exit in the nonprofit sector. *The B.E. Journal of Economic Analysis & Policy, Manuscript 1937*, 1-41.

Hasenfeld, Y., & Abbott, A. D. (Eds.). (1992). *Human services as complex organizations*. Newbury Park, CA: Sage Publications.

Helmig, B., Ingerfurth, S., & Pinz, A. (2013). Success and failure of nonprofit organizations: Theoretical foundations, empirical evidence, and future research. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 1-30.

Hess, D. J. (2009). The potentials and limitations of civil society research: Getting undone science done. *Sociological Inquiry, 79*(3), 306-327.

Hingson, L. (2015). [Email exchange: Question about restatement of financial information at Brother's Brother Foundation].

Hodge, J. M. (2013, December 30). [Email exchange: Chaos theory would be easier to understand than this at the Mayo Clinic].

Hodgkinson, V. A. (1992). *Nonprofit almanac, 1992-1993: Dimensions of the independent sector*. San Francisco, CA: Jossey-Bass.

Hodgkinson, V. A., Nelson, K. E., & Sivak, E. D., Jr. (2003). Individual giving and volunteering. In L. M. Salamon (Ed.), *The state of nonprofit America* (pp. 387-420). Washington, DC: Brookings Institution Press.

Hodgkinson, V. A., & Weitzman, M. S. (1984). *Dimensions of the independent sector: A statistical profile, 1st edition*. Washington, DC: Independent Sector.

Hodgkinson, V. A., & Weitzman, M. S. (1986). *Dimensions of the independent sector: A statistical profile, 2nd edition*. Washington, DC: Independent Sector.

Hodgkinson, V. A., & Weitzman, M. S. (1988). *Dimensions of the independent sector: A statistical profile, 3rd edition*. Washington, DC: Independent Sector.

Hodgkinson, V. A., Weitzman, M. S., Abrahams, J. A., Crutchfield, E. A., & Stevenson, D. R. (1996). *Nonprofit almanac 1996-1997: Dimensions of the independent sector*. San Francisco, CA: Jossey-Bass Publishers.

Hodgkinson, V. A., Weitzman, M. S., Noga, S. M., & Gorski, H. A. (1993). *A portrait of the independent sector: The activities and finances of charitable organizations*. Washington, D.C.: Independent Sector.

Hopkins, B. R. (1980). *Charity under siege: Government regulation of fund-raising*. New York, NY: Wiley.

Hopkins, B. R. (2013). *The law of fundraising, 5th Edition* (Fifth Edition. ed.). Hoboken, NJ: Wiley.
Hopkins, C. H. (1951). *History of the Y.M.C.A. in North America*. New York, NY: Association Press.
Horne, C. S. (2005). *Toward an understanding of the revenue of nonprofit organizations.* (PhD Dissertation), Georgia Institute of Technology, Atlanta, GA. Retrieved on February 20, 2013 from http://scholarworks.gsu.edu/cgi/viewcontent.cgi?article=1009&context=pmap_diss
Hughes, P. (2006). The economics of nonprofit organizations. *Nonprofit Management & Leadership, 16*(4), 429-450.
Huntley, K. E. (1931a). *Financial trends of agencies engaged in giving outdoor relief in New York City: A section of the study of financial trends of organized social work in New York City*. New York, NY: Welfare Council of New York City.
Huntley, K. E. (1931b). *Study of financing of social work: Financing of social work in Los Angeles*. New York, NY: Welfare Council of New York City.
Huntley, K. E. (1935). *Financial trends in organized social work in New York City*. New York, NY: Columbia University Press.
Hyman, H. H., & Wright, C. R. (1971). Trends in voluntary association memberships of American adults: Replication based on secondary analysis of national sample surveys. *American Sociological Review, 36*(2), 191-206.
Internal Revenue Bulletin 2011-3. (2011). Retrieved on June 23, 2015 from http://www.irs.gov/irb/2011-03_IRB/ar13.html
Jackson, K. L., & Glass, J. C., Jr. (2000). Emerging trends and critical issues affecting private fund-raising among community colleges. *Community College Journal of Research and Practice, 24*(9), 729-744.
Jacobs, F. A., & Marudas, N. P. (2006). Excessive, optimal, and insufficient fundraising among the Nonprofit Times 100. *International Journal of Nonprofit and Voluntary Sector Marketing, 11*(2), 105-114.
Jacobs, F. A., & Marudas, N. P. (2009). The combined effect of donation price and administrative inefficiency on donations to U.S. nonprofit organizations. *Financial Accountability & Management, 25*(1), 33-53.
Jacobs, F. A., & Marudas, N. P. (2010). *Much ado about nothing: Reliability of financial disclosures of nonprofits that report zero fundraising expense*. Paper presented at the ASBBS Annual Conference, Las Vegas, NV.
Jacobs, F. A., & Marudas, N. P. (2012). Quality of financial disclosures of nonprofit organizations that report zero fundraising expense. *Journal of Finance and Accountancy, 9*, 1-12.
Jenkins, E. C. (1950). *Philanthropy in America: An introduction to the practices and prospects of organizations supported by gifts and endowments, 1924-1948*. New York, NY: Association Press.
Jones, J. P. (1940). *The yearbook of philanthropy, presenting information and statistics covering American philanthropy since the year 1920, with charts and tables*. New York, NY: The Inter-River Press.
Jones, J. P. (1942). *The yearbook of philanthropy 1941-42: Presenting information and statistics covering American philanthropy since the year 1920, with charts and tables*. New York, NY: Inter-River Press.

Jones, J. P. (1943). *The yearbook of philanthropy 1942-43: Presenting information and statistics covering American philanthropy since the year 1920, with charts and tables*. New York, NY: Inter-River Press.
Jones, J. P. (1946). *The yearbook of philanthropy 1945-46: Presenting information and statistics covering American philanthropy since the year 1920, with charts and tables*. New York, NY: Inter-River Press.
Jones, J. P. (1948). *The yearbook of philanthropy 1947-48: Presenting information and statistics covering American philanthropy since the year 1920, with charts and tables*. New York, NY: Inter-River Press.
Jones, J. P. (1949). *Philanthropy today: An interim report - 1949*. New York, NY: Inter-River Press.
Jones, J. P. (1954). *The American giver: A review of American generosity*. New York, NY: Inter-River Press.
Jones, R. (2013, September 24). [Email exchange: World Help financial restatements].
Kaufman, J. A. (2002a). *For the common good? American civic life and the golden age of fraternity*. New York, NY: Oxford University Press.
Kaufman, J. A. (2002b). The political economy of interdenominational competition in late-nineteenth-century American cities. *Journal of Urban History, 28*(4), 445-465.
Kearns, K. P. (2007). Income portfolios. In D. R. Young (Ed.), *Financing nonprofits: Putting theory into practice* (pp. 291-314). Lanham, MD: National Center on Nonprofit Enterprise and AltaMira Press.
Kearns, K. P., Bell, D., Deem, B., & McShane, L. (2012). How nonprofit leaders evaluate funding sources: An exploratory study of nonprofit leaders. *Nonprofit and Voluntary Sector Quarterly, 43*(1), 121-143.
Keating, E. K., Fischer, M., Gordon, T. P., & Greenlee, J. S. (2005). *Assessing financial vulnerability in the nonprofit sector*. Faculty Research Working Papers Series. Harvard University, John F. Kennedy School of Government. Cambridge, MA. Retrieved on March 4, 2013 from https://berkshiretaconic.org/sharedpdf/AssessingFinancialVulnerability.pdf
Kerkman, L., Moore, C. J., & Aikman, J. (2004, October 28). How The Chronicle compiled its annual Philanthropy 400 rankings. *The Chronicle of Philanthropy,* pp. 38-39.
Kerkman, L., Moore, C. J., & DiMento, M. (2005, October 27). How The Chronicle compiled its annual Philanthropy 400 rankings. *The Chronicle of Philanthropy,* pp. 22-23.
Kerlin, J. A. (2013). Predicting variation in funding for international nongovernmental organizations following three external events. *Nonprofit Management & Leadership, 23*(4), 473-490.
Kerlin, J. A., & Supaporn, T. (2006). The international charitable nonprofit subsector: Scope, size, and revenue. *Nonprofits in Focus*. Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.
Kim, M. (2014). *Does revenue diversification really matter? The power of commercial and donative distinction in the nonprofit arts*. 2014 University of Pennsylvania Social Impact Fellowship. University of Pennsylvania. Philadelphia, PA.

Retrieved on July 13, 2015 from http://www.sp2.upenn.edu/app/uploads/2014/08/Mirae-Kim.pdf
Kim, M. T. (2002). *Money & mission: How nonprofit organizations finance their charitable activities.* (PhD Dissertation), Harvard University, Cambridge, MA.
Kim, P., & Bradach, J. L. (2012). Why more nonprofits are getting bigger. *Stanford Social Innovation Review, 10*(2), 15-16.
Kim, P., Perreault, G., & Foster, W. (2011). Finding your funding model. *Stanford Social Innovation Review, 9*(4), 36-41.
Kimberly, J. R. (1975). Environmental constraints and organizational structure: A comparative analysis of rehabilitation organizations. *Administrative Science Quarterly, 20*(1), 1-9.
King, W. I., & Huntley, K. E. (1928). *Trends in philanthropy A study in a typical American city*. New York, NY: National Bureau of Economic Research.
Kingma, B. R. (1993). Portfolio theory and nonprofit financial stability. *Nonprofit and Voluntary Sector Quarterly, 22*(2), 105-119.
Korn, H. J., & Baum, J. A. C. (1994). Community ecology and employment dynamics: A study of large Canadian organizations, 1985-1992. *Social Forces, 73*(1), 1-31.
Kosar, K. R. (2011). Congressionally chartered nonprofit organizations ("Title 36 corporations"): What they are and how Congress treats them (pp. 20). Washington, DC: Congressional Research Service.
Kotzebue, A. (2014). An empirical investigation of donor-fundraiser interaction *On collective goods, voluntary contributions, and fundraising* (pp. 55-90). Wiesbaden, Germany: Springer Fachmedien.
Kramer, R. M. (2000). A third sector in the third millennium? *Voluntas: International Journal of Voluntary and Nonprofit Organizations, 11*(1), 1-23.
Krishnan, R., Yetman, M. H., & Yetman, R. J. (2006). Expense misreporting in nonprofit organizations. *The Accounting Review, 81*(2), 399-420.
Laidler-Kylander, N., Quelch, J. A., & Simonin, B. L. (2007). Building and valuing global brands in the nonprofit sector. *Nonprofit Management & Leadership, 17*(3), 253-277.
Larkin, R. F., & DiTommaso, M. (2012). *Wiley not-for-profit GAAP 2012: Interpretation and application of generally accepted accounting principles*. Hoboken, NJ: John Wiley & Sons, Inc.
Larose, M. D. (2003, October 30). Doing the numbers: How the Philanthropy 400 survey was compiled. *The Chronicle of Philanthropy,* pp. 38-39.
Lecy, J. D. (2010). *Three essays on nonprofit competition in grant markets.* (PhD Dissertation), Syracuse University, Syracuse, NY. Retrieved on April 7, 2014 from http://surface.syr.edu/socsci_etd/174/
Lecy, J. D., & Searing, E. A. M. (2014). Anatomy of the nonprofit starvation cycle: An analysis of falling overhead ratios in the nonprofit sector. *Nonprofit and Voluntary Sector Quarterly, 44*(3), 539-563.
Lecy, J. D., & Van Holm, E. J. (2013). *The end is nigh: Limits to growth of the nonprofit sector*. Paper presented at the ARNOVA, Hartford, CT. Retrieved on August 11, 2014 from http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2478238

Lecy, J. D., & Van Slyke, D. M. (2012). Nonprofit sector growth and density: Testing theories of government support. *Journal of Public Administration Research and Theory, 23*(1), 189-214.

Lenkowsky, L. (2010, October 17). Philanthropy 400's 20 years spotlight nonprofit world's stagnation. *The Chronicle of Philanthropy*.

Lipman, H. (1999, November 4). How the Philanthropy 400 rankings on contributions were compiled. *The Chronicle of Philanthropy,* p. 42.

Lipman, H., Larose, M. D., & Voelz, M. (2000, November 2). How the Philanthropy 400 was compiled. *The Chronicle of Philanthropy,* p. 48.

Maier, J. E. (2010). *Congregational growth, closure, identity, and diversity.* (PhD Dissertation), Baylor University, Waco, TX. Retrieved on June 16, 2014 from http://hdl.handle.net/2104/7972

Marrett, C. B. (1980). Influences on the rise of new organizations: The formation of women's medical societies. *Administrative Science Quarterly, 25*(2), 185-199.

Marsh, F. K. (1996). *Survival of the fittest? Nonprofit development in metropolitan Detroit.* (Ph.D Dissertation), University of Michigan, Ann Arbor, MI.

Martin, D. (1993). The top 10 trends in philanthropy. *Fund Raising Management, 24*(6), 40.

Marudas, N. P., Hahn, T., & Jacobs, F. A. (2012). *An improved model of donations to nonprofit organizations*. Paper presented at the ASBBS Annual Conference, Las Vegas, NV.

Marudas, N. P., & Jacobs, F. A. (2004). Determinants of charitable donations to large U.S. higher education, hospital, and scientific research NPOs: New evidence from panel data. *Voluntas: International Journal of Voluntary and Nonprofit Organizations, 15*(2), 157-179.

Marudas, N. P., & Jacobs, F. A. (2008a). *The effect of organizational inefficiency on donations to U.S. nonprofit organizations and the sensitivity of results to different specifications of organizational size*. Paper presented at the ASBBS.

Marudas, N. P., & Jacobs, F. A. (2008b). Impact of organizational size measures on relationship between organizational inefficiency and donations. *Journal of Management and Marketing Research, 1*, 1-11.

Marudas, N. P., & Jacobs, F. A. (2010). Initial evidence on whether use of professional fundraising services increases fundraising effectiveness. *International Journal of Nonprofit and Voluntary Sector Marketing, 15*(1), 3-12.

Matsunaga, Y., & Yamauchi, N. (2004). Is the government failure theory still relevant? A panel analysis using U.S. state level data. *Annals of Public and Cooperative Economics, 75*(2), 227-263.

Mayer, W. J., Wang, H.-C., Egginton, J. F., & Flint, H. S. (2014). The impact of revenue diversification on expected revenue and volatility for nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly, 43*(2), 374-392.

McAllister, J. (2015, December 11). [Telephone call: Corporate structure and reporting for NeighborWorks America].

McCarthy, J. D., Wolfson, M., Baker, D. P., & Mosakowski, E. (1988). The founding of social movement organizations: Local citizens' groups opposing drunken driving. In G. R. Carroll (Ed.), *Ecological models of organizations* (pp. 71-84). Cambridge, MA: Ballinger Pub. Co.

McCue, M. J. (2001). A trend analysis of hospitals with high cash and security investments. *Hospital Topics, 79*(1), 23-27.
McDermott, D. R., Tuckman, H. P., & Urban, D. J. (1999). Current resource constraints and the role of marketing in health research organizations. *Journal of Nonprofit & Public Sector Marketing, 7*(2), 3-16.
McKeever, B., & Pettijohn, S. L. (2014) The nonprofit sector in brief, 2014: Public charities, giving, and volunteering. Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.
McMurtry, S. L., Netting, F. E., & Kettner, P. M. (1991). How nonprofits adapt to a stringent environment. *Nonprofit Management & Leadership, 1*(3), 235-252.
Meckstroth, A., & Arnsberger, P. (1998). A 20-year review of the nonprofit sector, 1975-1995 (pp. 149-171). Washington, DC: Internal Revenue Service, Statistics of Income.
Miller, C. (2008, Summer). Truth or consequences: The implications of financial decisions. *Nonprofit Quarterly,* 10-15.
Minkoff, D. C. (1995). *Organizing for equality: The evolution of women's and racial-ethnic organizations in America, 1955-1985*. New Brunswick, NJ: Rutgers University Press.
Minkoff, D. C. (1997). The sequencing of social movements. *American Sociological Review, 62*(5), 779-799.
Mirabella, R. M. (2007). University-based educational programs in nonprofit management and philanthropic studies: A 10-year review and projections of future trends. *Nonprofit and Voluntary Sector Quarterly, 36*(4 suppl), 11S-27S.
Moore, J., & Brown, M. D. (1993, November 2). How the Philanthropy 400 was compiled. *The Chronicle of Philanthropy,* p. 24.
Moore, J., & Joseph, D. (1992, November 3). How the Philanthropy 400 was compiled. *The Chronicle of Philanthropy,* p. 26.
Moulton, S., & Eckerd, A. (2012). Preserving the publicness of the nonprofit sector: Resources, roles, and public values. *Nonprofit and Voluntary Sector Quarterly, 41*(4), 656-685.
Newman, E. S. (1955). *Law of philanthropy*. New York, NY: Oceana Publications.
The nonprofit sector in brief: Facts and figures from the *Nonprofit Almanac,* 2007. (2007), (pp. 1-8). Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.
O'Neill, M. (2002). *Nonprofit nation: A new look at the third America*. San Francisco, CA: Jossey-Bass.
Oleck, H. L. (1956). *Nonprofit corporations, organizations, and associations: Organization, management, and dissolution*. Englewood Cliffs, NJ: Prentice-Hall.
Oleck, H. L., & Stewart, M. E. (1993). *1993 cumulative supplement: Nonprofit corporations, organizations, and associations* (Fifth Edition ed.). Englewood Cliffs, NJ: Prentice-Hall.
Olglive, G. Connections: Diversifying revenue. *Connections*. Washington, DC: Center for Nonprofit Advancement.
Oster, S. M. (1992). Nonprofit organizations as franchise operations. *Nonprofit Management & Leadership, 2*(3), 223-238.

Oster, S. M. (1996). Nonprofit organizations and their local affiliates: A study in organizational forms. *Journal of Economic Behavior & Organization, 30*(1), 83-95.

Ott, C. (1991, November 19). How the Philanthropy 400 was compiled. *The Chronicle of Philanthropy,* p. 24.

Pallotta, D. (2008). *Uncharitable: How restraints on nonprofits undermine their potential*. Medford, MA: Tufts University Press.

Palmer, S. (2014, May 20). [Conversation: Consolidated financial information as presented in the Philanthropy 400].

Peruso, D. F., Jr. (2010). *An analysis of financial condition at private nonprofit baccalaureate college: 1998 through 2007*. Paper presented at the Northeastern Association of Business, Economics, and Technology, 33th Annual Meeting, State College, PA. Retrieved on March 4, 2013 from http://www.nabet.us/Archives/2010/NABET%20Proceedings%202010.pdf#page=163

Peruso, D. F., Jr. (2012). *Financial condition and tuition in private nonprofit baccalaureate higher education.* (PhD Dissertation), The Pennsylvania State University, State College, PA. Retrieved on February 23, 2013 from https://etda.libraries.psu.edu/paper/13889/9785

Pettijohn, S. L. (2013) The nonprofit sector in brief: Public charities, giving, and volunteering, 2013. Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Pfeffer, J., & Salancik, G. R. (1978). *The external control of organizations: A resource dependence perspective*. New York, NY: Harper & Row.

Philipson, Tomas J., & Posner, Richard A. (2009). Antitrust in the not-for-profit sector. *Journal of Law and Economics, 52*(1), 1-18.

Pollak, T. H. (2006). *Navigating the Form 990 minefield: A line-by-line guide to potential inconsistencies in the reporting of revenue, expenses and the balance sheet*. Working Paper. National Center for Charitable Statistics. Washington, DC. Retrieved on March 4, 2013 from http://nccsdataweb.urban.org/knowledgebase/detail.php?linkID=741&category=121&xrefID=2764&close=0

Pollak, T. H., & Pettit, K. L. S. (1997). *The finances of operating public charities, 1989-1995*. Urban Institute National Center for Charitable Statistics. Washington, DC. Retrieved on September 5, 2015 from http://thenonprofitlink.org/knowledgebase/showFile.php?file=bmNjczMx

Preston, C. (2012a). IRS levies fine on Food for the Hungry over drug valuations. *The Chronicle of Philanthropy*. Retrieved on February 26, 2015 from The Chronicle of Philanthropy website: http://philanthropy.com/article/IRS-Levies-Fine-on-Food-for/130685/

Preston, C. (2012b). Update: IRS levies fine on Food for the Hungry over drug valuations. *The Chronicle of Philanthropy*. Retrieved on February 26, 2015 from The Chronicle of Philanthropy website: http://philanthropy.com/article/IRS-Levies-Fine-on-Food-for/130539/

Putnam, R. D. (2000). *Bowling alone: The collapse and revival of American community.* New York, NY: Simon & Schuster.

Ranger-Moore, J. (1997). Bigger may be better, but is older wiser? Organizational age and size in the New York life insurance industry. *American Sociological Review, 62*(6), 903-920.

Rhoades, S. A. (1993). The Herfindahl-Hirschman Index. *Federal Reserve Bulletin, 79*(3), 188-189.

Ritchie, W. J., & Kolodinsky, R. W. (2003). Nonprofit organization financial performance measurement: An evaluation of new and existing financial performance measures. *Nonprofit Management & Leadership, 13*(4), 367-381.

Robbins, K. C. (2006). The nonprofit sector in historical perspective: Traditions of philanthropy in the West. In W. W. Powell & R. Steinberg (Eds.), *The nonprofit sector: A research handbook* (pp. 13-32). New Haven, CT: Yale University Press.

Roeger, K. L., Blackwood, A. S., & Pettijohn, S. L. (2011) The nonprofit sector in brief: Public charities, giving, and volunteering, 2011. Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Roeger, K. L., Blackwood, A. S., & Pettijohn, S. L. (2012). *The nonprofit almanac: 2012*. Washington, DC: Urban Institute Press.

Rose-Ackerman, S. (1982). Charitable giving and "excessive" fundraising. *The Quarterly Journal of Economics, 97*(2), 193-212.

Rudney, G. (1981). *A quantitative profile of the nonprofit sector*. Working Paper. Yale University Institution for Social Policy Studies, Program on Non-Profit Organizations. New Haven, CT.

Rudney, G. (1987). The scope and dimensions of nonprofit activity. In W. W. Powell (Ed.), *The nonprofit sector: A research handbook* (pp. 55-64). New Haven, CT: Yale University Press.

Rudney, G., & Weitzman, M. S. (1983). *Significance of employment and earnings in the philanthropic sector, 1972-1982*. Working Paper. Yale University Institution for Social Policy Studies, Program on Non-Profit Organizations. New Haven, CT.

Salamon, L. M. (1992). *America's nonprofit sector: A primer*. New York, NY: Foundation Center.

Salamon, L. M. (1993). The marketization of welfare: Changing nonprofit and for-profit roles in the American welfare state. *Social Service Review, 67*(1), 16-39.

Salamon, L. M. (1999). *America's nonprofit sector: A primer, 2nd edition*. New York, NY: Foundation Center.

Salamon, L. M. (2012a). *America's nonprofit sector: A primer, 3rd edition*. New York, NY: Foundation Center.

Salamon, L. M. (Ed.) (2002). *The state of nonprofit America*. Washington, DC: Brookings Institution Press.

Salamon, L. M. (Ed.) (2012b). *The state of nonprofit America, 2nd edition*. Washington, DC: Brookings Institution Press.

Salamon, L. M., & Dewees, S. (2002). In search of the nonprofit sector: Improving the state of the art. *American Behavioral Scientist, 45*(11), 1716-1740.

Sander, W. (2001). *Catholic schools: Private and social effects*. Boston, MA: Kluwer Academic Publishers.

Sargeant, A., & Woodliffe, L. (2007). Gift giving: An interdisciplinary review. *International Journal of Nonprofit and Voluntary Sector Marketing, 12*(4), 275-307.

Scheitle, C. P. (2010). *Beyond the congregation: The world of Christian nonprofits*. Oxford, UK: Oxford University Press.
Scheitle, C. P., Dollhopf, E. J., & McCarthy, J. D. (2016). Exploring religious congregations' registration with the IRS. *Nonprofit and Voluntary Sector Quarterly, 45*(2), 397-408.
Schiff, J. A. (1986). *Expansion, entry and exit in the nonprofit sector: The long and short run of it*. New Haven, CT: Yale University Institution for Social Policy Studies, Program on Non-Profit Organizations.
Schwartz, S. M. (1983). *Organizational and social structural characteristics influencing resource mobilization: A case study of the American Jewish Federation movement.* (PhD Dissertation), The Catholic University of America, Washington, DC.
Schweik, S. M. (2009). *The ugly laws: Disability in public*. New York, NY: New York University Press.
Scott, W. R., & Meyer, J. W. (1991). The organization of societal sectors: Propositions and early evidence. In W. W. Powell & P. J. DiMaggio (Eds.), *The new institutionalism in organizational analysis* (pp. 108-140). Chicago, IL: University of Chicago Press.
Seaman, B. A., Wilsker, A. L., & Young, D. R. (2014). Measuring concentration and competition in the U.S. nonprofit sector: Implications for research and public policy. *Nonprofit Policy Forum, 5*(2), 231-259.
Segal, L. M., & Weisbrod, B. A. (1998). Interdependence of commercial and donative revenues. In B. A. Weisbrod (Ed.), *To profit or not to profit: The commercial transformation of the nonprofit sector* (pp. 105-127). Cambridge, UK: Cambridge University Press.
Selle, P., & Øymyr, B. (1992). Explaining changes in the population of voluntary organizations: The roles of aggregate and individual level data. *Nonprofit and Voluntary Sector Quarterly, 21*(2), 147-179.
Seymour, H. J. (1966). *Designs for fund-raising: Principles, patterns and techniques*. New York, NY: McGraw-Hill.
Shanklin, W. L. (1986). Fortune 500 dropouts. *Planning Review, 14*(3), 12-17, 46.
Shea, J., & Wang, J. Q. (2015). Revenue diversification in housing nonprofits: Impact of state funding environments. *Nonprofit and Voluntary Sector Quarterly*.
Silber, N. I. (2001). *A corporate form of freedom: The emergence of the modern nonprofit sector*. Boulder, CO: Westview Press.
Singer, A. (2008). *Charity in Islamic societies*. Cambridge, UK: Cambridge University Press.
Singh, J. V., House, R. J., & Tucker, D. J. (1986). Organizational change and organizational mortality. *Administrative Science Quarterly, 31*(4), 587-611.
Singh, J. V., Tucker, D. J., & House, R. J. (1986). Organizational legitimacy and the liability of newness. *Administrative Science Quarterly, 31*(2), 171-193.
Singh, J. V., Tucker, D. J., & Meinhard, A. G. (1991). Institutional change and ecological dynamics. In W. W. Powell & P. J. DiMaggio (Eds.), *The new institutionalism in organizational analysis* (pp. 390-422). Chicago, IL: University of Chicago Press.
Skocpol, T. (2003). *Diminished democracy: From membership to management in American civic life*. Norman, OK: University of Oklahoma Press.

Smith, D. H. (1992). National nonprofit, voluntary associations: Some parameters. *Nonprofit and Voluntary Sector Quarterly, 21*(1), 81-94.

Standards of accounting and financial reporting for voluntary health and welfare organizations. (1964). New York, NY: National Health Council and National Social Welfare Assembly.

Standley, A. P. (2001). Reinventing a large nonprofit - Lessons from four voluntary health associations. *Nonprofit Management & Leadership, 11*(3), 305-320.

Stangler, D., & Arbesman, S. (2012). What does Fortune 500 turnover mean. In E. M. K. Foundation (Ed.), (pp. 30). Kansas City, MO: Ewing Marion Kauffman Foundation.

Steinberg, R. (1992). *Review on nonprofit almanac, 1992-1993, chapter 4: The financial conditions of organizations in the independent sector*. Indiana University Center on Philanthropy Nonprofit Almanac Symposium. Indiana University Center on Philanthropy. Indianapolis, IN.

Steinberg, R. (2006). Economic theories of nonprofit organizations. In W. W. Powell & R. Steinberg (Eds.), *The nonprofit sector: A research handbook* (pp. 119-139). New Haven, CT: Yale University Press.

Stinchcombe, A. L. (1965). Social structure and organizations. In J. G. March (Ed.), *Handbook of organizations* (pp. 142-193). Chicago, IL: Rand McNally.

Straughan, B., & Pollak, T. H. (2008). The broader movement: Nonprofit environmental and conservation organizations, 1989-2005 (pp. 1-43). Washington, DC: Urban Institute National Center for Charitable Statistics.

Teasdale, S., Kerlin, J. A., Young, D. R., & Soh, J. I. (2013). *Oil and water rarely mix: Exploring the relative stability of nonprofit revenue mixes over time*. Third Sector Research Centre. Birmingham, UK.

Tempel, E. R., Seiler, T. L., & Aldrich, E. E. (Eds.). (2011). *Achieving excellence in fundraising, 3rd edition*. San Francisco, CA: Jossey-Bass.

Thomas, R. L. (1966). *Policies underlying corporate giving*. Englewood Cliffs, NJ: Prentice-Hall.

Thornton, J. P. (2006). Nonprofit fund-raising in competitive donor markets. *Nonprofit and Voluntary Sector Quarterly, 35*(2), 204-224.

Tinkelman, D., & Donabedian, B. (2007). Street lamps, alleys, ratio analysis, and nonprofit organizations. *Nonprofit Management & Leadership, 18*(1), 5-18.

Trigg, R., & Nabangi, F. K. (1995). Representation of the financial position of nonprofit organizations: The Habitat for Humanity situation. *Financial Accountability & Management, 11*(3), 259-269.

Trussel, J. M. (2002). Revisiting the prediction of financial vulnerability. *Nonprofit Management & Leadership, 13*(1), 17-31.

Trussel, J. M. (2003). Assessing potential accounting manipulation: The financial characteristics of charitable organizations with higher than expected program-spending ratios. *Nonprofit and Voluntary Sector Quarterly, 32*(4), 616-634.

Trussel, J. M., & Greenlee, J. S. (2004). A financial rating system for nonprofit organizations *Research in Governmental and Non-Profit Accounting, 11*, 93-116.

Tucker, D. J., Singh, J. V., & Meinhard, A. G. (1990). Founding characteristics, imprinting, and organizational change. In J. V. Singh (Ed.), *Organizational evolution: New directions* (pp. 182-200). Newbury Park, CA: Sage Publications.

Tucker, D. J., Singh, J. V., Meinhard, A. G., & House, R. J. (1988). Ecological and institutional sources of change in organizational populations. In G. R. Carroll (Ed.), *Ecological models of organizations* (pp. 127-151). Cambridge, MA: Ballinger Pub. Co.

Tucker, D. J., & Sommerfeld, D. H. (2006). The larger they get: The changing size distributions of private human service organizations. *Nonprofit and Voluntary Sector Quarterly, 35*(2), 183-203.

Tuckman, H. P., & Chang, C. F. (1991). A methodology for measuring the financial vulnerability of charitable nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly, 20*(4), 445-460.

Tuckman, H. P., & Chang, C. F. (1998). How pervasive are abuses in fundraising among nonprofits? *Nonprofit Management & Leadership, 9*(2), 211-221.

Turner, S. E., Nygren, T. I., & Bowen, W. G. (1993). The NTEE classification system: Tests of reliability/validity in the field of higher education. *Voluntas: International Journal of Voluntary and Nonprofit Organizations, 4*(1), 73-94.

Twombly, E. C. (2003). What factors affect the entry and exit of nonprofit human service organizations in metropolitan areas? *Nonprofit and Voluntary Sector Quarterly, 32*(2), 211-235.

United States Department of Justice. (2010). *Horizontal Merger Guidelines*. Washington, DC: Retrieved on April 2, 2016 from https://www.justice.gov/atr/horizontal-merger-guidelines-08192010#5c.

Van Slyke, D. M., & Johnson, J. L. (2006). Nonprofit organizational performance and resource development strategies: Exploring the link between individual volunteering and giving. *Public Performance & Management Review, 29*(4), 467-496.

Vance, D. L. (2010). *Government funding and failure in nonprofit organizations.* (MA Thesis), Indiana University, Indianapolis, IN. Retrieved on July 13, 2015 from https://scholarworks.iupui.edu/handle/1805/2502

Voelz, M. (2002, October 31). Doing the numbers: How the Philanthropy 400 survey was compiled. *The Chronicle of Philanthropy,* p. 36.

Voelz, M., & Larose, M. D. (2001, November 1). How The Chronicle compiled this year's Philanthropy 400 rankings. *The Chronicle of Philanthropy,* p. 46.

Waters, R. D. (2007). Nonprofit organizations' use of the Internet: A content analysis of communication trends on the Internet sites of the Philanthropy 400. *Nonprofit Management & Leadership, 18*(1), 59-76.

Weisbrod, B. A. (1998a). The nonprofit mission and its financing: Growing links between nonprofits and the rest of the economy. In B. A. Weisbrod (Ed.), *To profit or not to profit: The commercial transformation of the nonprofit sector* (pp. 1-22). Cambridge, UK: Cambridge University Press.

Weisbrod, B. A. (1998b). *To profit or not to profit: The commercial transformation of the nonprofit sector*. Cambridge, UK: Cambridge University Press.

Weitzman, M. S., Jalandoni, N. T., Lampkin, L. M., & Pollak, T. H. (2002). *The new nonprofit almanac and desk reference: The essential facts and figures for managers, researchers, and volunteers*. San Francisco, CA: Jossey-Bass.

Wiewel, W., & Hunter, A. (1985). The interorganizational network as a resource: A comparative case study on organizational genesis. *Administrative Science Quarterly, 30*(4), 482-496.

Wilsker, A. L., & Young, D. R. (2010). How does program composition affect the revenues of nonprofit organizations? Investigating a benefits theory of nonprofit finance. *Public Finance Review, 38*(2), 193-216.

Wilson, J. Q. (2000/1989). *Bureaucracy: What government agencies do and why they do it*. New York, NY: Basic Books.

Wing, K. T., Gordon, T. P., Hager, M. A., Pollak, T. H., & Rooney, P. M. (2006). Functional expense reporting for nonprofits: The accounting profession's next scandal? *The CPA Journal, 76*(8), 15-19.

Wing, K. T., Pollak, T. H., & Blackwood, A. S. (2008). *The nonprofit almanac: 2008.* Washington, DC: Urban Institute Press.

Wing, K. T., Roeger, K. L., & Pollak, T. H. (2009) The nonprofit sector in brief: Public charities, giving, and volunteering, 2009. Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Wing, K. T., Roeger, K. L., & Pollak, T. H. (2010) The nonprofit sector in brief: Public charities, giving, and volunteering, 2010. Washington, DC: Urban Institute Center on Nonprofits and Philanthropy.

Winter, G. (1967). Religious organizations. In W. L. Warner, D. B. Unwalla, & J. H. Trimm (Eds.), *The emergent American society: Large scale organizations* (Vol. 1, pp. 408-491). New Haven, CT: Yale University Press.

Wolpert, J., & Reiner, T. A. (1985). The not-for-profit sector in stable and growing metropolitan regions. *Urban Affairs Review, 20*(4), 487-510.

Yörük, B. K. (2008). The power of asking in volunteering: Evidence from a matched sample. *Economics Letters, 99*(1), 79-84.

Yörük, B. K. (2009). How responsive are charitable donors to requests to give? *Journal of Public Economics, 93*(9–10), 1111-1117.

Yörük, B. K. (2012a). Do charitable solicitations matter? A comparative analysis of fundraising methods. *Fiscal Studies, 33*(4), 467-487.

Yörük, B. K. (2012b). Do fundraisers select charitable donors based on gender and race? Evidence from survey data. *Journal of Population Economics, 25*(1), 219-243.

Young, D. R. (1989). Local autonomy in a franchise age: Structural change in national voluntary associations. *Nonprofit and Voluntary Sector Quarterly, 18*(2), 101-117.

Young, D. R. (2007a). *Financing nonprofits: Putting theory into practice*. Lanham, MD: National Center on Nonprofit Enterprise and AltaMira Press.

Young, D. R. (2007b). Toward a normative theory of nonprofit finance. In D. R. Young (Ed.), *Financing nonprofits: Putting theory into practice* (pp. 339-372). Lanham, MD: National Center on Nonprofit Enterprise and AltaMira Press.

Young, D. R., & Faulk, L. (2010). Franchises and federations: The economics of multi-site nonprofit organizations. In B. A. Seaman & D. R. Young (Eds.), *Handbook of research on nonprofit economics and management* (pp. 220-237). Cheltenham, UK: Edward Elgar.

Young, D. R., Wilsker, A. L., & Grinsfelder, M. C. (2010). Understanding the determinants of nonprofit income portfolios. *Voluntary Sector Review, 1*(2), 161-173.

Zald, M. N., & Denton, P. (1963). From evangelism to general service: The transformation of the YMCA. *Administrative Science Quarterly, 8*(2), 214-234.

Zald, M. N., & McCarthy, J. D. (1987). *Social movements in an organizational society: Collected essays*. New Brunswick, NJ: Transaction Books.

Zald, M. N., & McCarthy, J. D. (Eds.). (1979). *The dynamics of social movements: Resource mobilization, social control, and tactics*. Cambridge, MA: Winthrop Publishers.

Zech, C. (2003). Understanding denominational structures: Churches as franchise organizations. *International Journal of the Economics of Business, 10*(3), 323-335.

Zey, M., & Swenson, T. (2001). The transformation and survival of Fortune 500 industrial corporations through mergers and acquisitions, 1981-1995. *The Sociological Quarterly, 42*(3), 461-486.

Zhu, J. (2000). Multi-factor performance measure model with an application to Fortune 500 companies. *European Journal of Operational Research, 123*(1), 105-124.

Zollmann, C. (1919a). The development of the law of charities in the United States. *Columbia Law Review, 19*(2), 91-111.

Zollmann, C. (1919b). The development of the law of charities in the United States. II. *Columbia Law Review, 19*(4), 286-309.

Zucker, L. G. (1987). Normal change or risky business: Institutional effects on the 'hazard' of change in hospital organizations, 1959-1979. *Journal of Management Studies, 24*(6), 671-700.

Zucker, L. G., & Kreft, I. G. G. (1994). The evolution of socially contingent rational action: Effects of labor strikes on change in union foundings in the 1880s. In J. A. C. Baum & J. V. Singh (Eds.), *Evolutionary dynamics of organizations* (pp. 294-313). New York, NY: Oxford University Press.

Curriculum Vitae

William Suhs Cleveland

Education

Indiana University, *Lilly Family School of Philanthropy,* Indianapolis, IN 2016
Ph.D., Philanthropic Studies

Duke University, ***Fuqua School of Business*** and ***Nicholas School of the Environment***, Durham, NC 1993
Master of Business Administration and Master of Environmental Management

Harvard College, Cambridge, MA 1987
A.B., Anthropology, cum laude, John Harvard Scholarship

Peer-Reviewed Publications

Cleveland, W. and He, L. (2015) "Opportunities to Increase Cross-Cultural Instruction: Impacts of a Distance Learning Course about U.S. Philanthropy Taught to Chinese Students" *Journal of Nonprofit Education and Leadership.* 5(2), 68-88.

Bielefeld, W. & Cleveland, W. (2013). "Defining Faith-Based Organizations and Understanding them through Research" *Nonprofit and Voluntary Sector Quarterly*. 42(3), pp.442-467.

Bielefeld, W. & Cleveland, W. (2013). "Faith-Based Organizations as Service Providers and their Relationship to Government" *Nonprofit and Voluntary Sector Quarterly*. 42(3), pp.468-494.

Non-Peer Reviewed Publications

Cleveland, W. (2015) "What Can We Learn from Habitat for Humanity about How to Consider Beneficiaries of Charity?" *Beneficence.* Expected late 2016

Cleveland, W. (2015) "Lessons of the Philanthropy 400: Investing in Fundraising Matters in a More Competitive World" *The Chronicle of Philanthropy.* November 2, 2015.

Cleveland, W. (1989) "The Windmills of St. Croix and the Growth of the Sugar Industry" *Bulletin of the Society of Virgin Islands Historians.* 3(2), 6-8.

Presentations

"Ignoring Affiliation Skews Research Results" *ARNOVA* Chicago, November 20, 2015

Invited panelist to "VRADS Dark Side Colloquium: Accountability, Misconduct, and Ethical Progress in NPOs – United Way of America as an Example Case" *ARNOVA* Chicago, November 19, 2015

"The Popularization of the Fundraising Efficiency Ratio" *Workshop on Multidisciplinary Philanthropic Studies* Indianapolis, September 15, 2015

"Slowing Growth among Public Charities" Midwest Political Science Association Chicago, April 17, 2015

"Use of the Charitable Income Tax Deduction by Different Classes" *ARNOVA* Denver, November 21, 2014

"Civil Society War" *ARNOVA* Denver, November 21, 2014

"Concentration of Donations and the Slowdown of Growth among Public Charities" *ARNOVA* Denver, November 22, 2014

"Slowing Growth among Public Charities" *Philanthropy and the Economic Way of Thinking Conference* Troy, Alabama, November 7, 2014

"Slowing Growth among Public Charities" *Donors Forum of Kentuckiana* Louisville, June 4, 2014

"Using Consolidated Data for an Entire Organization Really Matters: Findings from the Philanthropy 400" *West Coast Nonprofit Data Conference* Los Angeles, April 25, 2014

"Concentration of Fundraising Reflected in Philanthropy 400" *ARNOVA* (poster) Hartford, Nov. 22, 2013

"Trends Reflected in 20 years of American Charities Receiving the Most Donations" *Workshop on Multidisciplinary Philanthropic Studies* Indianapolis, October 29, 2013

"Necessity is the Mother of Invention: Conducting a Distance Learning Course for Students in China" *Nonprofit Academic Centers Council* Chicago, July 12, 2013; *E.C. Moore Symposium* (poster) Indianapolis, April 4, 2013

"Trends in the Nonprofit Sector Illustrated by the Philanthropy 400" *China Philanthropic Leadership Initiative* Indianapolis, March 28, 2013

"Federated Fundraising: Is China where the United States was in the 1950s?" *China Philanthropic Leadership Initiative* Indianapolis, March 27, 2012

"Making Change for Dimes: Evolution of the March of Dimes" *Workshop on Multidisciplinary Philanthropic Studies* Indianapolis, September 21, 2010

Academic Awards & Grants

Association for Research on the Nonprofit Organizations and Voluntary Action (ARNOVA)

ARNOVA Doctoral Fellow Award 2014

ARNOVA Emerging Scholar Award 2015

Funded participant to *Doctoral Fellowship* program at ARNOVA, Denver 2014

Funded participant to *Prosperity, Pauperism, and Philanthropy* Colloquium, 2014

Funded to *Public and Nonprofit Division's Doctoral Consortium,* Academy of Management 2014

Nu Lambda Mu International Honor Society. Nonprofit Academic Centers Council 2012

Indiana University, University Fellowship for first year of study 2009-2010

Virgin Islands Humanities Council, St. Croix, USVI survey of plantation ruins 1989

Teaching Experience

Indiana University-Purdue University at Indianapolis 2014

Ethics of Philanthropy Teaching Assistant for Dr. Richard Gunderman's Master's Course

Beijing Normal University Zhuhai, Zhuhai, China 2012-2013

Understanding Philanthropy in the United States presented in a distance learning format to undergraduates

Centenary College, Shreveport, Louisiana 2004-2005

Adjunct Instructor for upper-level undergraduate *Principles of Marketing* for three semesters